

THE FRANKLIN COUNTY BOARD OF SUPERVISORS HELD THEIR REGULAR MONTHLY MEETING ON TUESDAY, DECEMBER 15, 2015, AT 1:30 P.M., IN THE BOARD OF SUPERVISORS MEETING ROOM LOCATED IN THE GOVERNMENT CENTER, 1255 FRANKLIN STREET, SUITE 104, ROCKY MOUNT, VIRGINIA.

THERE WERE PRESENT: Cline Brubaker, Chairman
Charles Wagner, Vice-Chairman
Bob Camicia
Ronnie Thompson
C. B. Reynolds
Bobby Thompson
Leland Mitchell

OTHERS PRESENT: Brent Robertson, County Administrator
Christopher Whitlow, Deputy Co. Administrator
B. J. Jefferson, County Attorney
Sharon K. Tudor, MMC, Clerk

Cline Brubaker, Chairman, called the meeting to order.

Invocation was given by Supervisor Bobby Thompson

Pledge of Allegiance was led by Supervisor C. B. Reynolds

Cline Brubaker

PUBLIC COMMENT:

❖ Oscar Pagans - Industrial Park - Sink Farm

Mr. Pagans stated the purchase of the Sink Farm was good for Franklin County. This will attract larger companies to the County with better paying jobs. Mr. Pagans, thanked the Board for their good decision in purchasing the Sink Farm/Industrial Park.

❖ Vandel Muse - Diamond Avenue Extension & Highland Hall

Was not present to address the Board.

❖ Ian Reilly - FOIA/Transparency - Mountain Valley Pipeline



Transparency in Local Government: I Just Don't See It

Good afternoon. My name is Ian Reilly. I am a resident of Franklin County, a land owner and a tax payer, one of your constituents. I am also a veteran of the Marine Corps which taught me about honor, courage, commitment, integrity and how to defend what you hold dear. I live and farm at 404 Old Mill Creek Lane, which is directly affected by the proposed path of the Mountain Valley Pipeline and just a stone's throw from your proposed Industrial Park.

During your Board retreat words and phrases like *Transparency*, *Servant-Leadership*, *Accessibility*, and a *Willingness to work with others*, were used and I'm left wondering if you believe what you said or if it was just lip service. In my opinion most of the "governing" that happens is both literally and figuratively back room deals away from the general public and at times that makes it extremely difficult for your constituents, the people that you allege to work for and who pay your salaries to take part.

What is offensive is that most of the residents that border the Sink Farm have no idea that the land was bought by the county and that you propose to develop it into an industrial park with only God knows what kind of tenants. It's amazing to me that this sort of decision was made with little to no public input. Were you worried that people might say, "no"? How was the price of \$20K/acre decided upon? That is a lot to pay for some really hilly property which will take a lot of work to turn into something suitable for industrial/business sites.

It is interesting too, that the proposed route for the MVP just crosses the back of this proposed industrial park. I find it very hard to believe that this was just a coincidence. It's almost as if it were planned. Was there collusion between the Board of Supervisors, Mountain Valley Pipeline and the landowners or any combination of the three? If only there was some way to find out... Oh! Wait! There is! A Freedom of Information Act request was submitted in late August and there is **still no response**. Are you afraid of what the public will see there?

I encourage you to make the Franklin County Government more accessible to your constituents. Allow more people to speak and remove the 7 day requirement. People are expected to sign up a week in advance. But the agenda isn't posted until 3 days prior... how can we know what to share our opinions on, or do you just not want them? Your minutes of the previous month's meeting aren't posted until after they are approved. How about posting them prior to the meeting so that there can be some community involvement. How about having the meeting in the evenings so that the residents of Franklin County that want to take part and have an opportunity to do so. It is one day a month that you would work late, I'm sure that we could approve some flex time for you or something. Let your constituents get engaged! Let us take part in our government that is supposed to be of the *people*, by the *people*, for the *people*.

If you are unable or unwilling to Govern openly and with Citizen engagement then get out of the way for those that will.

❖ Carolyn Reilly -Permanent Easement Agreements

TOPICS OF CONCERN:

**Easement Agreements
And
Water - we need it to LIVE!**

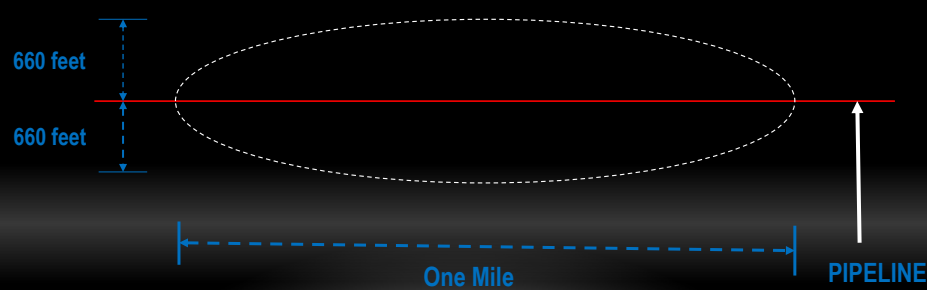
FEDERAL REGULATIONS

Class Location

- Adopted from code recommendations
- American Society of Mechanical Engineers (ASME) in the 1930's and 1940's.
- A first edition was published in 1935 as an American Tentative Standard Code for Pressure Piping.
- **Locations along gas pipelines are divided into classes from 1 (rural) to 4 (densely populated)**
- **Based upon the number of buildings or dwellings for human occupancy.**
- Code of Federal Regulations, Title 49, Part 192, (49 CFR 192) – Transportation of Natural and Other Gas By Pipeline: Minimum Federal Safety Regulations

Source: http://www.ecfr.gov/cgi-bin/text-idx?SID=779bb2b54c1743f19463ab3e98c3f162&mc=true&node=se49.3.192_15&rgn=div8

CALCULATION FOR CLASS



CLASS DETERMINES PIPE STRENGTH

The greater the class, the stronger the pipe!

- ❖ Class 1 Pipeline has the minimum wall thickness (0.375 inch)
- ❖ Class 2 Pipeline is about 25% thicker (0.450 inch)
- ❖ Class 3 Pipeline is about 50% thicker (0.540 inch)
- ❖ Class 4 Pipeline is about 75% thicker (0.675 inch)

There are four class types in pipeline construction.
Franklin County is in class 1.

RURAL AREAS SUFFER

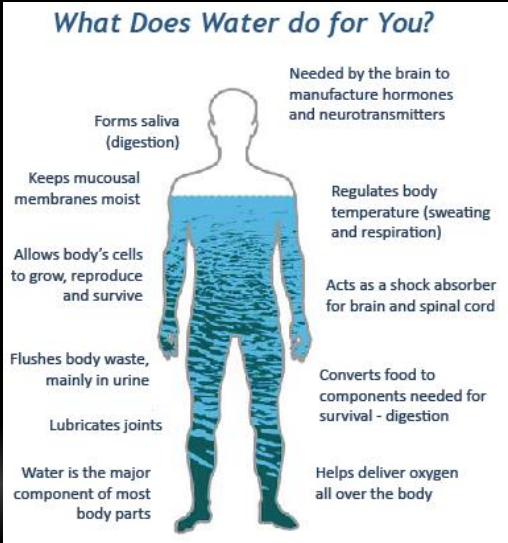
- Less populated areas = thinner pipe = greater risks to human life
- In addition, regulations don't consider livelihoods
- Dairy farms, Milking parlors
- Crops, Orchards
- Beef Cattle
- Based on regulations that were designed during the Great Depression and WW II
- 95% of pipeline will be in a Class 1 area

THESE ARE REAL PEOPLE
WITH REAL STORIES.



**Water in
Franklin
County**





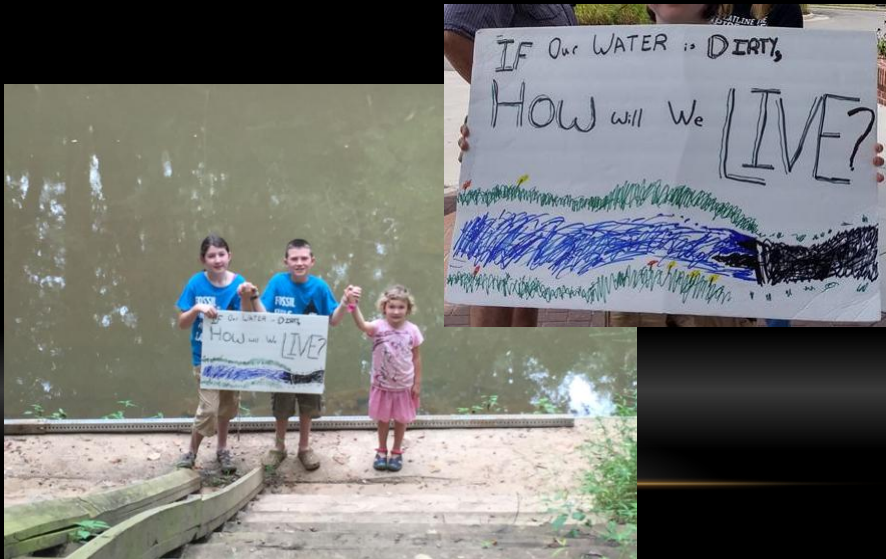
We are made up of 55-75% water.

H.H. Mitchell wrote in the Journal of Biological Chemistry that “the brain and heart are composed of 73% water, and the lungs are about 83% water. The skin contains 64% water, muscles and kidneys are 79%, and even the bones are watery: 31%.”

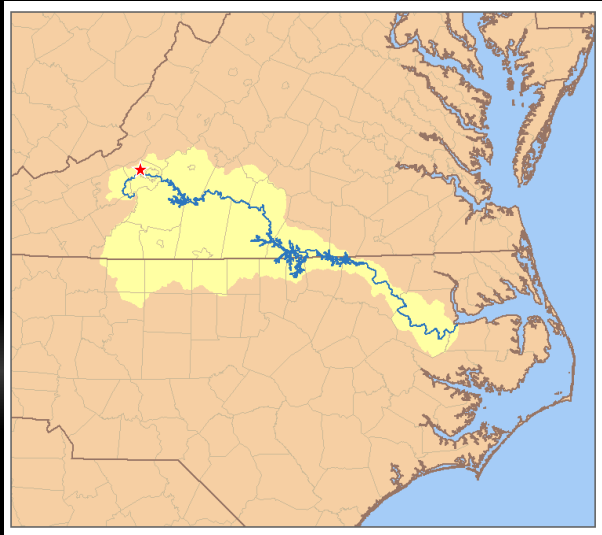
“There just wouldn't be any you, me, or Fido the dog without the existence of an ample liquid water supply on Earth. The unique qualities and properties of water are what make it so important and basic to life. The cells in our bodies are full of water.”

<http://water.usgs.gov/edu/propertyyou.html>

WE NEED WATER TO LIVE.



Water in our Watershed: A Broad View of the Roanoke River Watershed



Roanoke River Watershed Facts:

- 410 miles long
- Watershed area:
 - 6,275 square miles
- Drains 16% of Virginia

CONCERN: Contaminated Groundwater and Surface Water

- Chemical spills (gas, oil, etc.) from equipment during the pipeline construction process would enter surface and groundwater immediately.
- Chemicals applied to prevent external pipeline corrosion would be immediately available to groundwater. **Twice the amount is applied to pipes through water crossings.**
- Potential leaks/explosions would saturate soil and groundwater with toxic chemicals.



CONCERN: French Drain Effect

- Groundwater and surface water will always seek the low spot.
- Excavated trench with piping and backfill would act as a French drain.
- Dewatering of wetlands would change wetland function altogether.

Dewatering the trench (FERC)



Groundwater looking for the low spot.



Concern: Impact of Contaminated Water on Farmers

- Surface water contamination could have serious health effects on livestock that drink from streams and wetland areas.
- Contaminated groundwater should not be used for irrigating crops due to the toxic substances involved.
- Organic farmers certification could be at risk should surface water, groundwater, or soil become contaminated with inorganic substances.
- Annual spraying of easement to prevent re-vegetation will result in annual application of chemicals into the soil and **water supply**.

*This may affect more than a quality of life...
it may affect the way in which folks make a living.*





County BOS Meeting: Tuesday, December 15th

Carolyn Reilly
404 Old Mill Creek Lane
Rocky Mount, VA 24151

First Topic: Easement Agreements

I believe it is important for the Franklin County Board of Supervisors to be aware that the Oklahoma based corporation, Coates Field Service, has Land Acquisition Agents that are currently pursuing “perpetual right of way” Easement Agreements with Franklin County Landowners for the **proposed** Mountain Valley Pipeline.

I ask that you truly **CONSIDER** the fact that our county has the highest number of affected landowners (not to mention those who are in close proximity) for this proposed pipeline. And many landowners’ homes are within the HCI or High Consequence Area, otherwise known as the “blast zone.”

Recently, a landowner shared with me a copy of the agreement that has been offered.

In the agreement it states:

“...the Grantor, hereby grants and conveys, with covenant of General Warranty, to Grantee a perpetual right of way and easement in the location depicted on “Exhibit A” attached hereto, to lay, construct, maintain, operate, renew, alter, improve, protect, repair, replace, and remove a pipeline (the “Pipeline”) up to 42 inches in diameter, for the transportation of oil, natural gas, and their byproducts, and other liquids and gases, together with all necessary or convenient rights, equipment and appurtenances thereto, including, but not limited to pipeline markers and devices for cathodic protection, together with ingress and egress thereto.”

It seems as though this proposed pipeline isn’t intended only to transport fracked gas.

It continues:

“Grantee, its successors or assigns, is further granted the right to replace all or any part of the Pipeline or any portion thereof by laying such replacement not more than fifteen (15) feet from the section of Pipeline being replaced. Grantee, its successors and assigns, is also given the right to increase or decrease the diameter of any replacement pipe.”

This indicates that the proposed pipeline could be enlarged at any time, increasing the blast radius and the High Consequence Area.

“Grantor further grants the right of ingress and egress to and from said pipeline right of way on, over and through existing or future roads and the right of way herein granted, and across adjoining lands as shown on Exhibit A, for purposes of transporting pipe, materials, machinery, and equipment to and from other lands in and about the construction, operation, maintenance, replacement and removal of the pipeline constructed hereunder.”

This is related to access roads. Even more of our county could be subject to further destruction.

Questions:

- Have you viewed the details of MVP's construction maps?
- Have you counted the number of access roads they intend to build?
- Do you realize they plan to have an ancillary site just off of 220 south of the Franklin Heights Neighborhood?

Also included:

"For the consideration herein recited Grantor does hereby give, grant, and convey unto Grantee, its successors and assigns, a further right at any time or from time to time, to lay, maintain, operate, renew, alter, improve, protect, repair and remove one additional pipeline, and all necessary equipment and appurtenances thereto, as it may desire within the right of way and easement area. The additional pipeline to be laid approximately parallel to the first line laid shall be considered a Pipeline as the term is used herein. For any additional pipeline constructed hereunder, Grantee shall pay an equal amount paid for the right of way and easement herein granted."

The mention of an "additional pipeline to be laid approximately parallel to the first line laid" is an atrocity!

The agreement continues to state that their initial construction methods include the following actions:

1. Brush, tree tops and smaller trees that are cut will be burned on the easement area by MVP.
2. All trees larger than 8" in diameter cut will be cut to tree length and stacked along the easement area.
3. Stumps will be buried on the easement area, ground or removed.
4. And the list goes on with other materials and changes to the landowner's property.

What can the BOS do? Inform your constituents to be cautious over signing anything while a **proposed project of this scale and magnitude is ONLY in the early filing process! Have you actually met and spoken to many of these landowner affected by the proposed MVP? These are REAL PEOPLE with REAL STORIES and STRESS... Do you HEAR US?**

Second Topic: Water – We need it to LIVE

Being known as "The Land Between the Lakes," our water is an extremely valuable asset to the county.

As you have shared yourselves, the proposed Mountain Valley Pipeline hopes to make **144 water crossings** in Franklin County. They state in their filing paperwork that they intend to use the **Open-cut method**.

From MVP's Resource Report 2 – Water Use and Quality:

"An open-cut waterbody crossing is conducted using methods similar to conventional upland open-cut trenching. The pipeline trench is excavated across the waterbody, followed by installation of a prefabricated segment of pipeline, and backfilling of the trench with native material. **Conventional Open-cut:** Stream flow is not isolated from the construction activities."

We are made up of 55-75% water. H.H. Mitchell wrote in the Journal of Biological Chemistry:

"the brain and heart are composed of 73% water, and the lungs are about 83% water. The skin contains 64% water, muscles and kidneys are 79%, and even the bones are watery: 31%. There just wouldn't be any you, me, or Fido the dog without the existence of an ample liquid water supply on Earth. The unique qualities and properties of water are what make it so important and basic to life. The cells in our bodies are full of water."¹

We need water to LIVE.

Franklin County crosses 3 [watersheds](#). The Upper Dan, the New and primarily Roanoke River.

Thomas T. Bouldin of Pence Springs, West Virginia stated in his letter to the Federal Energy Regulatory Commission:

"What exactly could be the "public benefit" of the proposed pipeline and its burden of natural gas if the development of this energy resource (no matter how useful to short-term economic growth) **results in further deprivation of supplies of water, a resource crucial to sustaining human (and other) life?**"

CONCERN: Contaminated Groundwater and Surface Water

¹ <http://water.usgs.gov/edu/propertyyou.html>

- Chemical spills (gas, oil, etc.) from equipment during the pipeline construction process will enter surface and groundwater immediately.
- Chemicals applied to prevent external pipeline corrosion will be immediately available to groundwater. Twice the amount is applied to pipes through water crossings.
- Potential leaks/explosions will saturate soil and groundwater with toxic chemicals.

In a December 3 Roanoke Times article by Duncan Adams, “Pipeline opponents cite contamination of drinking water supply as cautionary tale,” we identified the following concerns:

CONCERN: *French Drain Effect*

- Groundwater and surface water will always seek the low spot.
- Excavated trench with piping and backfill will act as a French drain.
- Dewatering of wetlands will change wetland function altogether.

CONCERN: *Cost to county in resources and finances*

- Drinking water could be affected by line
- Water in West Virginia has already been affected by irresponsible construction
- Monroe County was forced to buy water from surrounding area

From the article by Duncan Adams:

“The spring was taken offline as a water source from July 7 to July 27, according to Jerry Pitzer, a member of the board for the public service district. Red Sulphur purchased about 2.5 million gallons of water from the Giles County Public Service Authority at a cost of \$12,825.” ²

CONCERN: *Impact of Contaminated Water on Farmers*

- Surface water contamination could have serious health effects on livestock that drink from streams and wetland areas.
- Contaminated groundwater should not be used for irrigating crops due to the toxic substances involved.
- Organic farmers certification could be at risk should surface water, groundwater, or soil become contaminated with inorganic substances.
- Annual spraying of easement to prevent re-vegetation will result in annual application of chemicals into the soil and **water supply**.

This may affect more than our quality of life it may affect the very way in which folks make a living.

I share all of this information because I am a concerned citizen, an affected landowner, a daughter, a wife and a mom. My family will not stop in speaking out about the myriad of issues concerning the proposed MVP as well as the various injustices occurring in our county.

Following the Reilly's comments, Chairman Brubaker and County Administrator Brent Robertson advised the public that the Board will hold a public hearing on January 19, 2016 at 6:00 p.m. for those interested in speaking concerning the proposed Mountain Valley Pipeline.

GFOA BUDGET DOCUMENT AWARD RECOGNITION

Vincent Copenhaver, CPA, Director of Finance, shared with the Board a distinguished budget presentation award to Franklin County and a certificate of recognition for budget presentation from the Government Finance Officers Association (GFOA) presented to Jackie Wagner, Budget Analysis, primarily responsible for having achieved the award.

CONSENT AGENDA

APPROVAL OF ACCOUNTS PAYABLE LISTING, APPROPRIATIONS, TRANSFERS & MINUTES FOR – NOVEMBER 17 & DECEMBER 2 & 3, 2015

APPROPRIATIONS

<u>DEPARTMENT</u>	<u>PURPOSE</u>	<u>ACCOUNT</u>	<u>AMOUNT</u>
E911	Wireless Board Grant	CIP	\$18,649

² http://www.roanoke.com/business/news/pipeline-opponents-cite-contamination-of-drinking-water-supply-as-cautionary/article_1172b929-8960-54a6-abdc-1784023dd5b9.html

Sheriff	DCJS Equipment Grant	3102- 55409	\$1,309
Planning	Escrow Release to the County	8101- 55631	\$16,002
Economic Development	DEQ Grant for Southway Farm	CIP	\$50,000
Economic Development	Proceeds from Ag Fair	8110- 55903	\$1,916
Economic Development	Tobacco Grant Repayment	CIP	\$969
Clerk of Court	Part Time Reimbursement	2106- 51003	\$927
Library	Book Sales, Donations	7301- 55411	\$308
	Total		\$90,080
Transfers Between Funds, Departments or Capital Accounts			(Decrease), Increase
Public Safety Station Construction			(1,062,500)
Village Center Improvements			(250,000)
Business Park Set Aside			1,312,500
To move unused 2013 bond proceeds from public safety stations and village center improvements to business			
park so that the debt proceeds can be spent within three years. \$1,500,000 remains in Public Safety for			
the animal shelter.			
			\$0

APPROVAL OF CEDS DOCUMENT

Each year, communities across America, including Franklin County, adopt lists of economic development-related projects for the coming year for submittal to the federal government. While the County does not expect to complete the entire list nor does adoption of the list give final approval by the Board for any project, submitting a wide variety of projects is advantageous to the locality. The Comprehensive Economic Development Strategy (CEDS) is used by the United States Economic Development Administration (USEDA) when reviewing potential grant recipients and USEDA cannot fund any projects that are not listed on the CEDS. For this reason, communities submit extremely aggressive lists of projects due to the uncertainty of what may happen over the next twelve months. If adopted by the Franklin County Board of Supervisors, the CEDS will be compiled with ones submitted by the other localities in the West Piedmont Planning District and forwarded to the USEDA.

The proposed list is identical to last year’s submittal as to the projects listed, with updates to some of the expected costs for certain projects and changes to some priority numbers to reflect current County thinking. Project priorities are defined by their stage of planning and readiness to move forward. The proposed CEDS list attempts to capture as many known potential projects as possible and categorizes them based on the federal direction.

RECOMMENDATION:

Staff respectfully requests that the Board of Supervisors approve the proposed CEDS list for submission to USED.

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY							
PRIORITY PROJECTS							
April 1, 2016 - March 31, 2017							
	PRIORITY		FUNDING			ENVIRON-	NO.
PROJECT	/TYPE	DESCRIPTION	SOURCE	AMOUNT	TOTAL	MENTAL	OF
						IMPACT	JOBS
Natural Gas Service Extension-- Franklin County	1/I	Complete service extension of Roanoke Gas to Franklin County/Rocky Mount	VTC	\$3,000,000	\$12,500,000	Positive	300+
			USDA-RD	\$3,000,000			
			Local	\$3,000,000			
			Private	\$3,500,000			
Southway Business Park Near Rocky Mount--Franklin County	1/I	Master planning, procurement, and development of new business park near Rocky Mount	VTC	\$3,000,000	\$15,000,000	Positive	900+
			USDA-RD	\$1,800,000			
			DHCD	\$700,000			
			EDA	\$1,500,000			
Franklin County/Rocky Mount Industrial Park--Franklin County/ Town of Rocky Mount	1/I	Extension of industrial access, water and sewer, site improvements, completion of loop access road, and rail spur to serve development of heavy industrial site	Local	\$8,000,000	\$3,394,656	NA	250-300
			EDA	\$1,000,000			
			Local	\$1,282,156			
			Rail Acc Funds	\$300,000			
Smith Farm Regional Park Site Development--Franklin County	1/I	Develop recreation area at Smith Farm Regional Park facility	VTC	\$812,500	\$500,000	---	---
			Local	\$260,000			
			DCR	\$80,000			
			DGIF	\$80,000			
Ferrum Downtown Improvements-- Franklin County	1/I	Develop sidewalks, railroad pedestrian bridge, "Main Street" scale improvements	AEP	\$80,000	\$2,379,000	Positive	20-30
			DHCD	\$1,387,000			
			VDOT	\$708,000			
			Local	\$284,000			

REQUEST FOR PUBLIC HEARING TO AMEND THE ADOPTED FY'15-16 BUDGET

State code section 15.2-2507 allows localities to amend their budget up to an amount that does not exceed one percent of the total expenditures shown in the currently adopted budget. The one percent limit amount for Franklin County is \$1,312,217 for fiscal year 2015-16. Total appropriations approved to date including December 2015 are \$1,239,188..

Before additional appropriations can be made, the County must hold a public hearing to allow public input on the appropriations approved for the current fiscal year. After the public hearing, the County will have the ability to appropriate another 1% or approximately \$1.3 million if the Board so chooses. Staff will continue to present all County and School appropriation requests to the Board for their approval.

With the additional appropriations approved to date, the County's adjusted budget is now \$132,460,843.

RECOMMENDATION:

Staff respectfully requests the Board’s consideration to advertise the additional appropriations for a public hearing at the January Board of Supervisors meeting.

PUBLIC NOTICE

FRANKLIN COUNTY, VIRGINIA

A HEARING ON AMENDMENTS TO THE ADOPTED 2015-2016 BUDGET

In Accordance with Sections 15.2-2507 of the Code of Virginia, as amended, on ***Tuesday, January 19, 2016, at approximately 6:00 P.M.*** or soon thereafter, the Franklin County Board of Supervisors will conduct a public hearing on amending the adopted FY’ 2015-2016 County budget in the Board of Supervisors Meeting Room, located in the Franklin County Government Center, 1255 Franklin Street, Suite 104, Rocky Mount, Virginia.

The original FY 2015-2016 budget was adopted in the amount of \$131,221,655. The new approved budget would be \$132,460,843. Since July 1, 2015 the following amounts have been appropriated by the Board. The purpose of this hearing is to amend the FY’ 2015-2016 budget in the total amount of \$1,239,188.

Adopted Additional Budgetary Appropriations Since July 1, 2015:	
July 2015	\$30,251
August 2015	\$857,978
September 2015	\$17,604
October 2015	\$221,961
November 2015	\$21,314
December 2015	\$90,080
Total	\$1,239,188

BOARD ORGANIZATIONAL MEETING/MONDAY, JANUARY 4, 2016@ 4:00 P.M.

BEDFORD PASSENGER RAIL STATION

In October of 2009, Amtrak resumed passenger rail service to the City of Lynchburg at the Kemper Street Station. In January of 2014 an agreement was signed between the Commonwealth of Virginia and Norfolk Southern Corporation to make infrastructure improvements necessary to extend Amtrak passenger rail service from Lynchburg to Roanoke with passenger rail service to return to the City of Roanoke in 2017. Over the last few years, Roanoke has been operating a bus connection to Lynchburg's Kemper Street Station to assist travelers in the Roanoke Valley. The planned expansion of passenger rail service to Roanoke will pass through the Town of Bedford, but current plans do not include a Bedford stop. The Bedford-Franklin Regional Rail Initiative Committee (BFRRI), has been working to make a Bedford stop a reality by educating the public and the Commonwealth on the need and benefits of a Bedford station. In August 2014, the Franklin County Board of Supervisors, recognizing the benefit such a station would bring to the Smith Mountain Lake area, approved a resolution of support for the project.

The BFRRI Committee is currently working on a study to present to the Commonwealth in hopes of obtaining approval for the Bedford rail stop. In a meeting with the Department of Rail and Public Transportation (DRPT), BFRRI members were told that a third-party study of the ridership, cost-benefit analysis, and other data would be required prior to any decision by the state. The BFRRI has gotten a price from an experienced consultant to do this required study. The cost is estimated at \$75,000 and must be completed by the end of February 2016. The Town of Bedford has pledged \$25,000 to the effort with the Bedford County Chamber of Commerce and the Smith Mountain Lake Chamber of Commerce promising another \$1,000 each. The County of Bedford is being asked for approximately \$40,000. Franklin County has received a request from the BFRRI to become a contributing partner and provide \$10,000 in funding for the planning effort. This is in line with the County's percentage of total residents within the travel shed. According to preliminary data, 51,937 people currently live closer to the proposed Bedford stop than to either the Roanoke or Lynchburg train stations. Of those 51, 937 residents, 6,355 live in Franklin County and would be best served by the proposed Bedford stop. This represents approximately 12% of the total travel shed population and generally matches the \$10,000 planning contribution request, 13% of the total \$75,000 study cost.

RECOMMENDATION:

Staff respectfully requests that the Board of Supervisors consider making a \$10,000 contribution to the planning study aimed at bringing an Amtrak train stop to the Town of Bedford.

PUBLIC, EDUCATIONAL & GOVERNMENT (PEG) ACCESS PERFORMANCE AGREEMENT

Section 611 of the Communications Act, allows local franchising authorities to require cable operators to set aside channels for public, educational, or governmental ("PEG") use. Cable Channel 12 is the local access channel for Franklin County.

As part of the existing cable franchise agreement between Franklin County and Shenandoah Telecommunications Company "Shentel" signed October 30, 2014, Shentel assesses a \$0.30 PEG Capital fee per subscriber each month beginning January 2015 for support of Channel 12. The PEG Capital fees rendered in 2015 are \$4,029 (2015Q1), \$4,223.10 (2015Q2) and \$4,176.30 (2015Q3) resulting in a total of \$12,428.40 thus far.

A PEG access performance agreement between Franklin County and Friends of Cable 12, Inc. has been created and is included with this summary for your review. The highlights of the agreement include the following:

- PEG funding will be allocated to Cable 12 served by Shentel for the purchase, maintenance and operations of equipment, and scheduling of PEG access cable casting.
- Cable 12 has established nonprofit status under IRS Section 501(c)(3), and as such can receive PEG funding.
- All funding will be through Friends of Cable 12, Inc.
- PEG funds shall not be used for Cable 12 staff salaries or compensation.
- Franklin County retains ownership of all equipment purchased through PEG funds.
- Franklin County's funding obligations to Cable 12 are contingent upon payments to the County in accordance with the franchise agreement with Shentel.
- Cable 12 shall provide public access programming, produce/broadcast educational and governmental access programming, and community television programming.
- Cable 12 shall record and cablecast coverage for Rise N' Shine, government hosted and

sponsored community events such as 4th of July Independence Day Festival, Pigg River Ramble, Rocky Mount Christmas Parade, and Come Home to a Franklin County Christmas.

RECOMMENDATION: Staff respectfully recommends that the Board of Supervisors approve the PEG Access Performance Agreement with Friends of Cable 12, Inc. and authorizes the County Administrator to sign the agreement on behalf of Franklin County.

AMENDMENT TO
CABLE TELEVISION SYSTEM FRANCHISE AGREEMENT

THIS AMENDMENT TO CALBE TELEVISION SYSTEM FRANCHISE AGREEMENT (the "Amendment") is made as of November 18, 2014 between the County of Franklin, Virginia ("County") and Shenandoah Cable Television, LLC ("Franchisee").

WHEREAS, County and Interlink Communications Partners, LLC doing business as Charter Communications entered into that Cable Television System Franchise Agreement dated October 1, 2002 (the "Franchise Agreement");

WHEREAS, the Franchise Agreement was subsequently transferred to Cebridge Acquisition, LLC d/b/a Suddenlink Communications ("Suddenlink"); and

WHEREAS, by Resolution No. 10-07-2007 the County approved the assignment of the Franchise Agreement by Suddenlink to Jet Broadband VA, LLC ("JBB");

WHEREAS, by letter dated May 25, 2007 JBB agreed to certain additional terms with respect to the Franchise Agreement (the "JBB Transfer Letter");

WHEREAS, by letter dated June 2, 2010, Shentel Cable Company, predecessor in interest to Franchisee, agreed to honor the requirements of the JBB Transfer Letter;

WHEREAS, by Resolution No. 20-06-2010 the County approved the assignment of the Franchise Agreement to Shentel Cable Company, predecessor in interest to Franchisee;

WHEREAS, pursuant to Section 2.1 of the Franchise Agreement, the term of the Franchise Agreement expired on September 30, 2014 and

WHEREAS, County and Franchisee now wish to further extend the term of the Franchise Agreement and to make certain additional changes to the Franchise Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and agreements contained in this Amendment, the parties hereby agree as follows:

1. Franchisee. The term "Franchisee" as used in the Franchise Agreement shall from and after the date hereof mean Shenandoah Cable Television, LLC.
2. Franchise Term. Section 2.1 of the Franchise Agreement is hereby amended to read in its entirety as follows:

2.1 Franchise Term. There is hereby granted by the County of Franklin to Franchisee, its successors and assigns, the non-exclusive right, privilege and Franchise to construct, operate, maintain and upgrade a Cable System within the franchise area, as herein defined, for a term deemed to have commenced on October 1, 2014 and ending on September 30, 2029.

3. Build-Out Requirement. Section 5.1 of the Franchise Agreement is hereby amended to read in its entirety as follows:

5.1 Technical Operations and Line Extensions – The Cable System as contemplated herein shall be constructed, installed, operated and maintained in accordance with accepted industry standards and will meet all applicable technical and operating standards of the Federal Communications Commission including but not limited to Subpart K (Technical Standards) and Subpart H (General Operating Requirements) as they now exist or may hereafter be amended. Franchisee will extend its Cable System, after the initial rebuild, to any future developments, government offices located within commercial buildings, and multifamily dwellings of annexed areas upon request within six (6) months of the date the development of such areas reaches the density requirement of at least twenty-eight (28) occupied dwelling units per cable mile and provided that the residence or other building for which service is requested is within two hundred feet (200') of Franchisee's activated feeder cable. Franchisee shall have the right to petition the County for relief should an extension create an economic hardship. The number of miles will be calculated starting at the closest feeder point of the activated Cable System where the extension must be connected and will continue until reaching two hundred feet (200') of the dwelling unit.

4. Support of Channel 12. Franchisee agrees to continue to support the local access channel (currently Channel 12) throughout the term of this Agreement with the same level of service as is currently provided.

5. JBB Transfer Letter. The terms and provisions of the JBB Transfer Letter are superseded in their entirety by this Amendment, and the JBB Transfer Letter shall be deemed null and void and of no further force and effect upon the execution of this Amendment.

6. Franchise Agreement. Except as specifically amended by this Amendment, the Franchise Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, each of the parties has caused this Amendment to be duly executed on its behalf as of the date first hereinabove set forth.

SHENANDOAH CABLE TELEVISION, LLC

By: Chris Kyle
Name: CHRIS KYLE
Title: Vice President

Attest:

COUNTY OF FRANKLIN, VIRGINIA

Connie Stanley

By: Richard E. Huggins II

(RESOLUTION #01-12-2015)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve the consent agenda items as presented above.

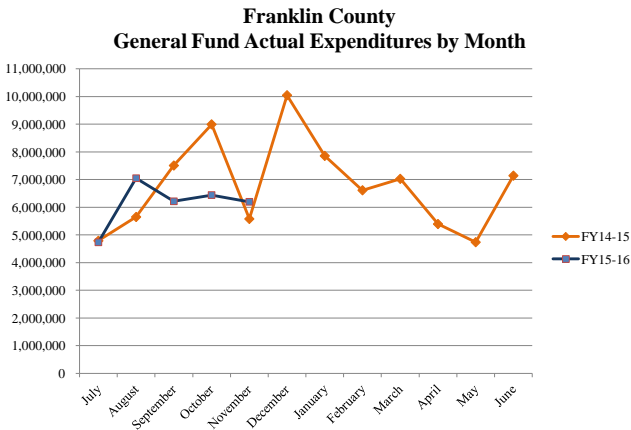
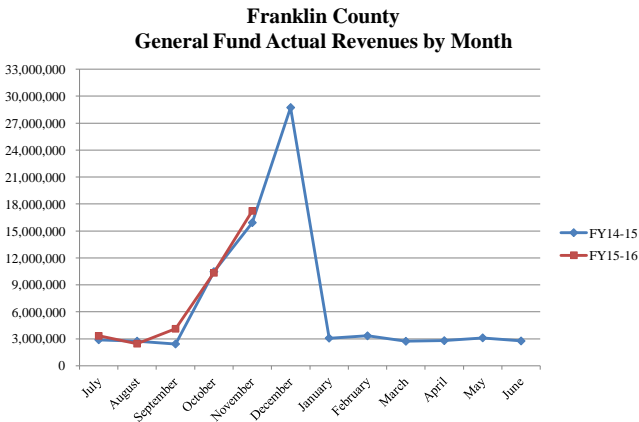
MOTION BY: Charles Wagner
SECONDED BY: Bob Camicia
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

MONTHLY FINANCIAL REPORT

Vincent K. Copenhaver, Director of Finance, presented the monthly financial reports as follows:

Franklin County

December 2015 Finance Report



Meals Tax

	<u>11-12</u>	<u>12-13</u>	<u>13-14</u>	<u>14-15</u>	<u>15-16</u>
November	76,951	65,343	71,786	84,027	77,113

Still running 2.8% ahead of last year through November

2016 Reassessment
County Wide Recap
Prior to Reassessment Hearings

Current Taxable Reassessment	\$7,069,040,300
2016 Values	<u>\$7,030,615,000</u>
Difference	<u>-\$38,425,300</u>
Percent Decline	-0.54%
Land Value Change	-2.28%
Improvement Value Change	1.51%

Totals by District

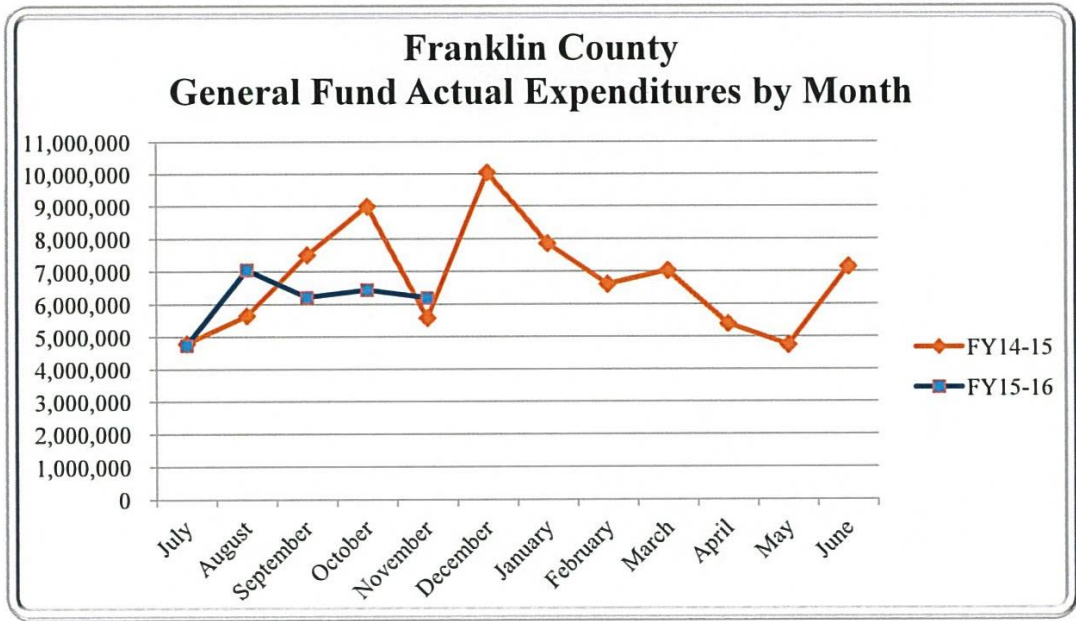
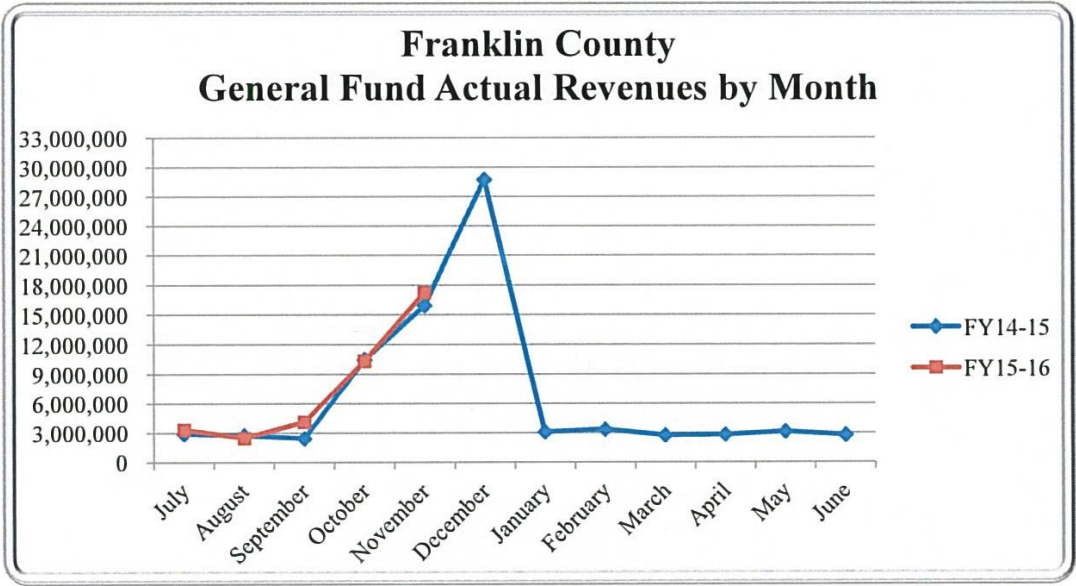
	<u>Current Taxable</u>	<u>2016 Taxable</u>	<u>% Change</u>	<u>% of Total</u>
Boone	\$667,547,400	\$674,333,400	1.02%	9.59%
Blue Ridge	\$438,384,500	\$440,748,300	0.54%	6.27%
Blackwater	\$635,002,700	\$645,485,900	1.65%	9.18%
Gills Creek	\$2,382,228,600	\$2,383,207,300	0.04%	33.90%
Rocky Mount	\$230,098,000	\$233,188,200	1.34%	3.32%
Snow Creek	\$476,828,900	\$476,599,100	-0.05%	6.78%
Town Boones Mill	\$19,671,300	\$19,857,500	0.95%	0.28%
Town Rocky Mount	\$445,253,800	\$454,979,600	2.18%	6.47%
Union Hall	\$1,774,025,100	\$1,702,218,700	-4.05%	24.21%
	<u>\$7,069,040,300</u>	<u>\$7,030,618,000</u>	<u>-0.54%</u>	<u>100.00%</u>

Tax Impact (After Land Use Adjustments)

Current Real Estate Taxes at \$0.55 per \$100 Assessed Value	\$36,345,629
2016 Real Estate Taxes at \$0.55 per \$100 Assessed Value	<u>\$36,273,878</u>
Difference and Overall Real Estate Tax Revenue Reduction	<u><u>-\$71,751</u></u>

Values Subject to Change as Reassessment Hearings are Currently Being Held

Franklin County Cash Basis Revenue and Expenditure Summaries (Unaudited) General Fund and School Fund Only For The Five Months Ending November 30, 2015 and 2014					
REVENUES:	Budget and Appropriations Current Year	Actual Year to Date Revenues	Balance To Be Realized	Percent of Budget	Prior Year Actual At This Date
General Property Taxes	48,250,204	22,127,617	(26,122,587)	45.9%	19,813,477
Other Local Taxes	11,238,734	5,165,489	(6,073,245)	46.0%	4,928,929
Permits, Fees and Licenses	377,000	140,779	(236,221)	37.3%	160,902
Fines and Forfeitures	110,000	14,527	(95,473)	13.2%	79,206
Revenue from the use of Money and Property	710,560	180,945	(529,615)	25.5%	209,017
Charges for Services	2,510,777	1,062,645	(1,448,132)	42.3%	1,134,151
Miscellaneous Revenue	738,918	656,229	(82,689)	88.8%	400,665
Recovered Costs	545,806	287,128	(258,678)	52.6%	303,575
Revenue from the Commonwealth	15,562,272	7,798,856	(7,763,416)	50.1%	7,432,724
Federal Government	170,904	37,923	(132,981)	22.2%	45,626
Subtotal	<u>80,215,175</u>	<u>37,472,138</u>	<u>(42,743,037)</u>	46.7%	<u>34,508,272</u>
Fund Balance/Carryover Funds	1,483,990				
Total General Fund	<u><u>81,699,165</u></u>				
Schools					
Cafeteria, Misc, State, Federal	49,640,164	17,442,663	(32,197,501)	35.1%	18,004,593
Local Funding from County	33,984,994	14,484,345	(19,500,649)	42.6%	15,805,682
Total School Fund	<u><u>83,625,158</u></u>	<u><u>31,927,008</u></u>	<u><u>(51,698,150)</u></u>	38.2%	<u><u>33,810,275</u></u>
EXPENDITURES:	Budget and Appropriations Current Year	Actual Year to Date Expenditures	Balance To Be Expended	Percent of Budget	Prior Year Actual At This Date
General and Financial Administration	4,436,223	2,129,310	2,306,913	48.0%	2,072,931
Judicial Administration	2,646,122	1,047,300	1,598,822	39.6%	955,291
Public Safety (Sheriff, Corrections, EMS)	13,291,108	5,027,698	8,263,410	37.8%	5,496,576
Public Works	3,757,690	1,127,397	2,630,293	30.0%	1,297,918
Health and Welfare	11,684,936	4,617,798	7,067,138	39.5%	4,420,469
Parks, Recreation, Libraries, Cmty Colleges	1,974,485	815,465	1,159,020	41.3%	800,980
Community Development	3,316,486	1,385,181	1,931,305	41.8%	1,408,360
Transfers to Schools, Capital, Debt	40,592,115	14,484,064	26,108,051	35.7%	16,063,880
Total General Fund	<u><u>81,699,165</u></u>	<u><u>30,634,213</u></u>	<u><u>51,064,952</u></u>	37.5%	<u><u>32,516,405</u></u>
School Fund	<u><u>83,625,158</u></u>	<u><u>31,316,153</u></u>	<u><u>52,309,005</u></u>	37.4%	<u><u>33,206,244</u></u>



Mr. Copenhaver noted the County's Reassessment was coming to a completion, whereby it appears there will be an overall slight decrease in County land values as values in the Union Hall District fell more significantly.

SCHOOL SYSTEM REQUEST FOR FIVE-YEAR CAPITAL IMPROVEMENT PLAN BUDGET TRANSFER

Vincent Copenhaver, Director of Finance, shared with the Board The Board of Supervisors has requested that County staff review all appropriation requests from the Franklin County Public Schools

A five year school capital funding plan was adopted by the Board of Supervisors beginning in Fiscal Year 12-13. A total of \$4.9 million has been spent to date on various projects including roof replacements, water system upgrades, gym floor replacement, asphalt replacement and CCTV Camera Upgrades. Completed projects have been \$154,885 under budget in total.

The Schools would like to use \$153,000 of future savings from the Rocky Mount Elementary roof replacement project towards a metal roof replacement project at Snow Creek Elementary School.

A schedule of completed, in progress and future school capital projects is submitted for the Board's review.

RECOMMENDATION:

Staff respectfully requests the Board's authorization for the re-allocation of \$153,000 from School Five Year CIP savings to a metal roof replacement project at Snow Creek Elementary School

Franklin County
Status of School Capital by Fiscal Year

<u>Revenues</u>			<u>FY12-13</u>	<u>FY13-14</u>	<u>FY14-15</u>	<u>FY15-16</u>	<u>FY16-17</u>	<u>Total Revenue Through 16-17</u>	
County Capital Transfer				\$880,000	\$880,000	\$880,000	\$880,000		
School Debt Drop Off			\$487,000	\$399,000	\$457,000	\$705,000	??		
One-Time Capital Funds			\$352,744						
General Fund - Security Upgrades			\$397,000						
			\$1,236,744	\$1,279,000	\$1,337,000	\$1,585,000	\$880,000	\$6,317,744	
<u>Expenditures</u>	<u>Adjusted Budget</u>	<u>Status</u>	<u>FY12-13</u>	<u>FY13-14</u>	<u>FY14-15</u>	<u>FY15-16</u>	<u>FY16-17</u>	<u>Total Spent</u>	<u>(Over) Under Budget</u>
Roof Replacement Boones Mill	\$390,137	Completed	\$354,677	\$35,460				\$390,137	\$0
Roof Replacement Dudley	\$410,926	Completed		\$371,029				\$371,029	\$39,897
Water System Upgrade at Callaway Sontag and Dudley	\$317,675	Completed	\$52,250	\$293,168	\$8,805			\$354,223	-\$36,548
Gym Floor Replacement BFMS West, Hawkins	\$453,120	Completed	\$152,410	\$139,170				\$291,580	\$161,540
Asphalt Replacement at BFMS	\$565,710	Completed	\$119,115	\$436,757				\$555,872	\$9,838
CCTV Camera Upgrade	\$301,010	Completed	\$182,420	\$59,108	\$59,482			\$301,010	\$0
Plumbing Fixture/Partition Upgrades	\$750,000		\$36,212	\$283,215	\$169,224	\$11,668		\$500,319	\$249,681
Install Central Station Smoke Detectors at All S	\$320,000				\$39,677	\$34,249		\$73,926	\$246,074
Air Conditioning for Lee Waid & Snow Creek Cafeterias, Burnt Chimney HVAC	\$802,770				\$412,720	\$378,233		\$790,953	\$11,817
Asbestos Removal/Floor Tile Replacement	\$700,000		\$20,521	\$221,595	\$185,568	\$76,221		\$503,905	\$196,095
Security Upgrades	\$397,000	Completed	\$250,174	\$146,826	\$19,842	\$0		\$416,842	-\$19,842
Roof Replacement at Sontag	\$536,130				\$221,113	\$141,386		\$362,499	\$173,631
Line of Credit Interest					\$793			\$793	-\$793
Snow Creek Roof Replacement	\$153,000							\$0	\$153,000
Roof Replacement at Rocky Mount Elementary	\$575,062					\$4,192	\$500,000	\$504,192	\$70,870
			\$6,672,540	\$1,167,779	\$1,986,328	\$1,117,224	\$645,949	\$500,000	\$5,417,280
									\$1,255,260

Spent YTD = \$4,917,280

(RESOLUTION #02-12-2015)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve the \$153,000 from School Five Year CIP savings to a metal roof replacement project at Snow Creek Elementary School.

MOTION BY: Bob Camicia
SECONDED BY: Bobby Thompson
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

DISCUSSION OF FRANKLIN COUNTY'S INTENTION TO INTERVENE WITH THE FERC IN THE MOUNTAIN VALLEY PIPELINE PROCEEDINGS

Steve Sandy, Director of Planning & Community Development, stated on October 23, 2015, Mountain Valley Pipeline LLC (MVP) made its formal filing with the Federal Energy Regulatory Commission (FERC) seeking a certificate of public convenience and necessity to operate and construct the Mountain Valley Pipeline project. This filing indicated MVP's route for the project which included 37 miles of pipeline within Franklin County.

On November 5, 2015, the FERC issued its "Notice of Applications" for the MVP project. This notice has two key provisions that are of interest to Franklin County. First, it indicates that within 90 days FERC will either complete its Environmental Assessment (EA) or issue a schedule for completion of the EA. Second, the notice establishes November 27, 2015 as the comment date which is the deadline for a timely filing as an Intervener. Staff has spoken to the FERC Project manager concerning the deadline and was assured that a late intervention by the County could be submitted with cause.

It is important for Franklin County to consider both the potential benefits and costs of filing a Motion to Intervene in FERC's proceedings relative to the MVP project. Under Federal regulation, an Intervener is a designated party to the FERC proceedings who has specific concerns about impacts related to the project. Intervener is a legal status designated by FERC after a timely request that allows the Intervener to request a rehearing of FERC decisions and / or seek relief in Federal Court. Intervener status does not indicate support or opposition to the project.

An Intervener has legal rights to challenge FERC decision making both administratively and in the courts that a non-Intervener does not have. Due to these rights, an Intervener may also have the ability to participate in negotiations and / or mediation that a non-Intervener would not be able to access. Interveners are required to share filings and information with one another. Having Intervener status may afford the County information that the County not otherwise have reviewed.

Once a party is designated as an Intervener, FERC staff can no longer interact with them on an informal basis. This would prevent staff from contacting the FERC project manager and asking

questions due to ex-parte communication rules. Interveners are also required to send documents to all other Interveners. This can be accomplished electronically; however some Interveners will likely be served my mail only. The extent of these mailing costs will not be known until a list of all Interveners has been created by FERC. These costs are not likely to be consequential unless the County chooses to submit many comments or documents.

If a decision to become an Intervener is made, the County could incur costs both internal and external for staff time and legal fees. Roanoke County has secured external legal counsel with a firm who specializes in FERC proceedings. This firm is the Water and Power Law Group PC. Franklin County recently consulted with this firm during the lake relicensing with FERC. Costs will be based on the County's ultimate strategy as directed by the Board of Supervisors.

Being an Intervener does not necessarily indicate that the Intervener is opposed to the overall project. However, being an Intervener does mean that the Intervener has concerns regarding specific elements of the project or the potential effects of specific elements of the project. This is consistent with the recent resolution passed concerning erosion and sediment control and stormwater management during construction of the pipeline.

Seeking Intervener status does not mean that the County has made a decision to challenge any particular FERC decisions or that the County will ultimately litigate. These decisions will be made based on the ongoing review of the MVP project filing, any changes to the project, and FERCs future decisions. Roanoke County, Montgomery County and Giles County have all filed motions to intervene as well as several businesses, interest groups and individual citizens.

RECOMMENDATION:

Staff recommends seeking Intervener status to preserve our legal rights / options and to reiterate our concerns regarding the project during the FERC process. A draft resolution authorizing the County to file a motion with FERC seeking intervener status has been submitted for your consideration and adoption.

TO FILE A MOTION WITH FERC SEEKING INTERVENER STATUS IN THE MOUNTAIN VALLEY PIPELINE, LLC APPLICATION FOR PUBLIC CONVENIENCE AND NECESSITY DOCKET NO. CP16-10-000

WHEREAS, Mountain Valley Pipeline, LLC ("Mountain Valley Pipeline") desires to construct, own and operate a three hundred (300) mile long 42 inch diameter natural gas transmission pipeline between Wetzel, West Virginia and Pittsylvania County, Virginia; and

WHEREAS, Mountain Valley Pipeline previously initiated the Federal regulatory approval process to construct, own and operate the pipeline by requesting use of the Federal Energy Regulatory Commission ("FERC") pre-filing review process with the pre-filing of Docket No. PF-15-3-000; and

WHEREAS, On October 23, 2015, Mountain Valley Pipeline filed an application with FERC seeking a certificate of public convenience and necessity authorizing Mountain Valley Pipeline to construct, own and operate a three hundred (300) mile long 42 inch diameter natural gas pipeline in West Virginia and Virginia with an assigned docket number of CP16-10-000 ("FERC Application"); and

WHEREAS, In its application to FERC, Mountain Valley Pipeline's proposed route traverses through Franklin County starting at the Roanoke County at the Blue Ridge Parkway heading southeast, crossing Cahas Mount and passing to the north of the Town of Rocky Mount until it reaches the communities of Glade Hill and Union Hall where it continues southeast eventually into Pittsylvania County; and

WHEREAS, On November 5, 2015, FERC issued a Notice of Application notifying the Public of Mountain Valley Pipeline's proposed natural gas transmission pipeline project, its pending FERC application and advising the public that it may obtain legal status by becoming a party to the proceedings by filing with FERC a Motion to Intervene; and

WHEREAS, The benefits from achieving intervener status is that the County would receive all of Mountain Valley Pipeline's filings and other FERC documents related to the case and all materials filed by other interested parties who are likewise interveners enabling the County to remain informed and continue to be an advocate for its citizens with FERC; and

WHEREAS, By having access to the FERC filings the County will be able to continue to monitor in particular the aspects of the Mountain Valley Pipeline project which specifically impact the County of Franklin and its citizens and continue to be a conduit of information for it citizens by staying involved in the FERC proceedings; and

WHEREAS, The Board of Supervisors wishes to continue to participate in the FERC process and be a resource for its citizens by seeking intervener status before FERC.

NOW, THEREFORE, BE IT RESOLVED, By the Board of Supervisors of the County of Franklin, Virginia that the Board of Supervisors hereby authorizes and directs the County Administrator, in consultation with the County Attorney, to file a motion with FERC to intervene in the Mountain Valley Pipeline Application for Public Convenience and Necessity, Docket No. CP-16-10-000.

ATTEST: _____
Sharon K. Tudor, MMC
Clerk
Franklin County Board of Supervisors

(RESOLUTION #03-12-2015)
BE IT THEREFORE RESOLVED, by the Board of Supervisors to adopt the aforementioned resolution to intervene, as presented, and to file with FERC.
MOTION BY: Ronnie Thompson
SECONDED BY: Bob Camicia
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

DAVENPORT & COMPANY/COUNTY'S FINANCIAL UPDATE
Kyle Laux and David Rose, Davenport & Company, presented the following PowerPoint presentation concerning the County's annual financial review, as follows:

Annual Financial Review

Franklin County, Virginia



December 15, 2015

DAVENPORT & COMPANY
Member NYSE|FINRA|SIPC

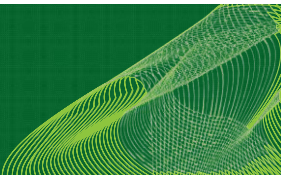
Table of Contents



2	Overview, Goals, and Objectives
5	Peer Comparatives and Financial/Demographic Trends
15	Existing County and Schools Debt Profile
25	Appendix



Overview, Goals, and Objectives



Overview



- Davenport & Company LLC (“Davenport”) has served as Financial Advisor to Franklin County, Virginia (the “County”) for the better part of a decade.
- Davenport has periodically provided the Board of Supervisors with a Financial Report/Overview of the County's Capital Related Status.
- Past reports have included an overview of, among other topics:
 - Debt Capacity;
 - Debt Affordability;
 - Status of outstanding Credit Ratings; and
 - Compliance with self-imposed Financial Policy Guidelines and “Best Practices.”
- The County, after several presentations regarding the topics outlined above, successfully financed \$12.5 million in February 2015. Proceeds of the financing were used to pay for upgrades to the County’s Public Safety Radio Communications system as part of the County’s last Capital Improvement Plan (“CIP”).
- Moreover, due to the County’s strong Credit Ratings and favorable interest rates, the County has completed two refinancings^(1,2) for savings purposes since 2011, achieving more than \$660,000 in total cash-flow savings.⁽³⁾
- Davenport has been asked by the County to provide an update on the County’s Financial Health, Debt Capacity, and Debt Affordability.

(1) In August 2011, Davenport served as Financial Advisor to the County in a Rate Modification of the County’s 2005 Note, 2007A Bond, and 2007B Bond – each held by BB&T. By lowering the interest rate on \$9,456,909 of total outstanding principal, the County achieved **\$533,070** in cash flow savings.
(2) In November 2013, Davenport served as Financial Advisor to the County in a second Rate Modification to the BB&T obligations noted above. By lowering the interest rate on \$8,095,899 of total outstanding principal, the County achieved **\$127,928** in cash flow savings.
(3) Together, the 2011 and 2013 Rate Modifications achieved **\$660,998** in cash-flow savings.

Goals and Objectives



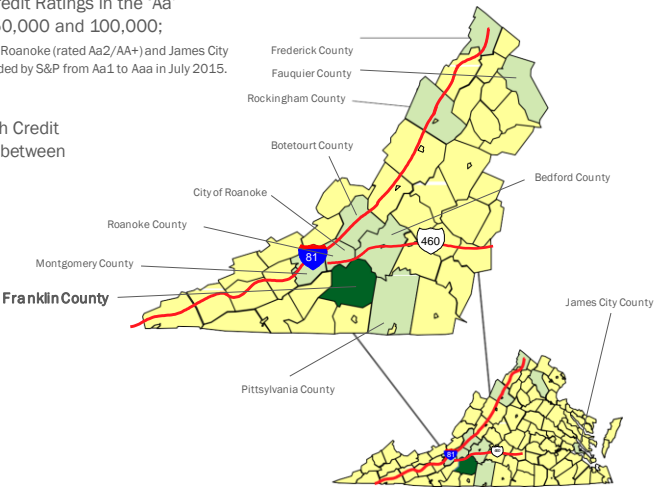
1. Provide an initial perspective on **Debt Capacity** and **Debt Affordability**.
 - **Debt Capacity** is defined as the “relative level(s) of debt a local government can reasonably take on over a period of years and remain comparable to its peers, Financial Policy Guidelines, and “Best Practices.”
 - **Debt Affordability** is defined as the “cash-flow impact to a locality when taking on a certain level(s) of debt on your current and future annual budgets.”
2. Provide/examine a set of **Peer Comparatives** to understand how the County’s Existing Debt Profile and Key Financial Metrics compare to its National and Virginia peers.
3. Present an overview of the **County’s Existing Tax-Supported Debt Profile**.
4. Highlight **Key Financial Ratios** so as to better understand the County’s compliance with its Financial Policies

Peer Comparatives and Financial/Demographic Trends

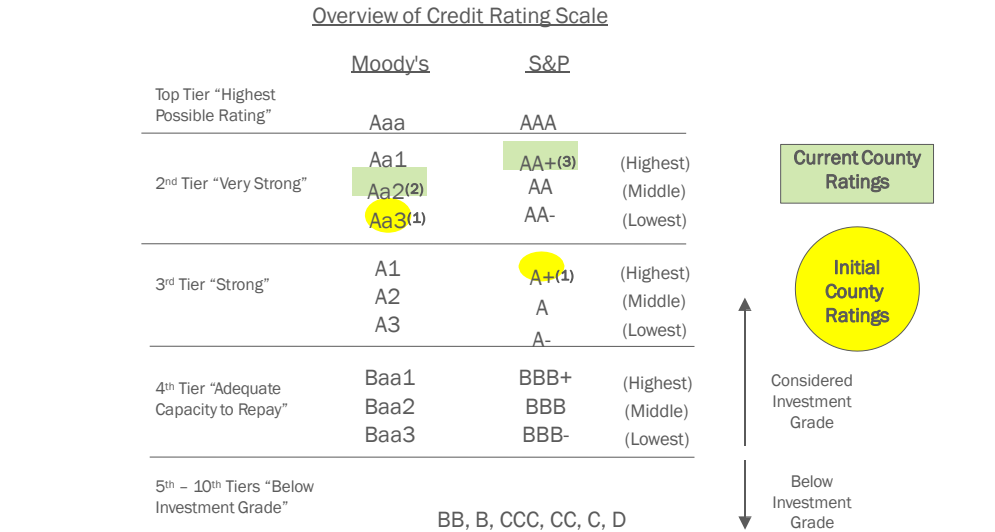
Peer Group Overview

▪ The following pages show a series of peer comparisons versus the following:

- a) Selected Virginia Counties with Credit Ratings in the 'Aa' range and populations between 50,000 and 100,000;
Note: This peer group also includes the City of Roanoke (rated Aa2/AA+) and James City County, whose credit rating was recently upgraded by S&P from Aa1 to Aaa in July 2015.
- b) Medians of National Counties with Credit Ratings of 'Aa1' and populations between 50,000 and 100,000; and
- c) Medians of National Counties with Credit Ratings of 'Aa2' and populations between 50,000 and 100,000.



Franklin County’s Credit Rating History

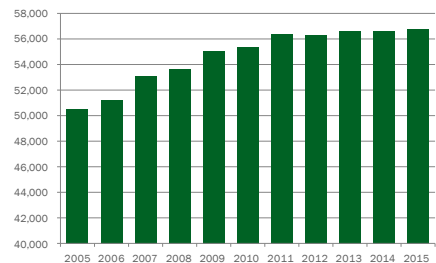


(1) In September 2006, the County received inaugural credit ratings of 'Aa3' from Moody's and 'A+' Standard & Poor's.
(2) Moody's upgraded the County to its current credit rating, 'Aa2,' in May 2010.
(3) Standard & Poor's upgraded the County by two "notches" in March 2014, from 'AA-' to the County's current rating of 'AA+'.

Population and Credit Ratings



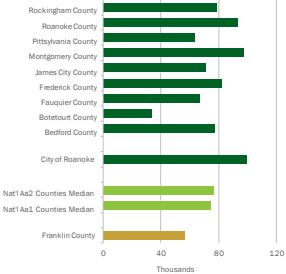
Historical County Population



Fiscal Year ⁽¹⁾	Population	Growth
2005	50,528	1.73%
2006	51,245	1.42%
2007	53,072	3.56%
2008	53,611	1.02%
2009	55,056	2.70%
2010	55,357	0.55%
2011	56,387	1.86%
2012	56,300	-0.15%
2013	56,616	0.56%
2014	56,574	-0.07%
2015	56,793	0.39%
Avg. Annual Growth Rate '05-'15		1.31%

Source: Weldon Cooper Center.
(1) FY 2015 estimate from July 1, 2014; FY 2014 estimate from July 1, 2013; etc.

Population Comparison



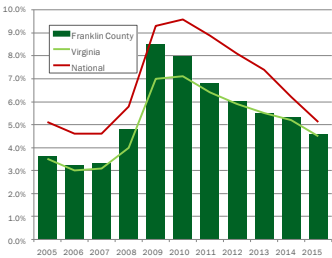
Locality	Credit Rating (Moody's/S&P) ⁽²⁾	Population ⁽²⁾
Rockingham County	Aa2/AAA	78,953
Roanoke County	Aa1/AA+	93,569
Pittsylvania County	Aa3/AA-	63,545
Montgomery County	Aa2/AA	97,405
James City County	Aaa/AAA	71,140
Frederick County	Aa2/NR	82,059
Fauquier County	Aa1/AA+	67,512
Botetourt County	Aa2/AA+	33,521
Bedford County	Aa2/NR	77,213
City of Roanoke	Aa2/AA+	99,320
Nat'l Aa2 Counties Median	Aa2	76,610
Nat'l Aa1 Counties Median	Aa1	74,583
Franklin County	Aa2/AA+	56,793

Sources: S&P and Moody's rating desks. Moody's MFRA database; Weldon Cooper Center.
(2) Franklin County and VA Peer credit ratings shown as of 10/5/15. Franklin County and VA Peer populations estimated by Weldon Cooper for July 1, 2014. National Medians from MFRA are based on FY 2013 financials.

Unemployment Rate



Historical County Unemployment Rate



Calendar Year	Franklin County	Virginia	National
2005	3.6%	3.5%	5.1%
2006	3.2%	3.0%	4.6%
2007	3.3%	3.1%	4.6%
2008	4.8%	4.0%	5.8%
2009	8.5%	7.0%	9.3%
2010	8.0%	7.1%	9.6%
2011	6.8%	6.4%	8.9%
2012	6.0%	5.9%	8.1%
2013	5.5%	5.5%	7.4%
2014	5.3%	5.2%	6.2%
2015 ⁽¹⁾	4.6%	4.5%	5.1%

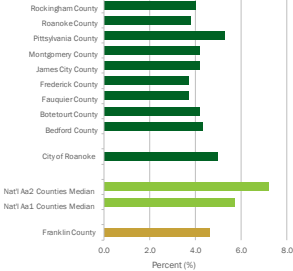
Sources: Franklin County data from Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS). VA Peer data and National Median data from Bureau of Labor Statistics.

(1) 2015 data shown above based on the BLS's preliminary figure for the month of August 2015.

DAVENPORT & COMPANY

December 15, 2015

Unemployment Rate Comparison⁽²⁾



Locality	Unemployment Rate
Rockingham County	4.0%
Roanoke County	3.8%
Pittsylvania County	5.3%
Montgomery County	4.2%
James City County	4.2%
Frederick County	3.7%
Fauquier County	3.7%
Botetourt County	4.2%
Bedford County	4.3%
City of Roanoke	5.0%
Nat'l Aa2 Counties Median	7.2%
Nat'l Aa1 Counties Median	5.7%
Franklin County	4.6%

Sources: Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS); Moody's MFR database.

(2) National Median data from MFR database based on FY 2013 financials. Franklin County and VA Peer data based on LAUS preliminary figure for the month of August 2015.

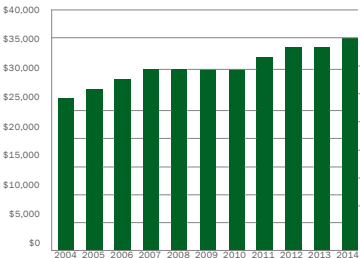
Franklin County, VA

9

Income Per Capita



Historical County Personal Income Per Capita



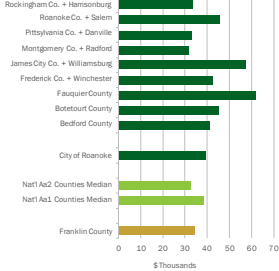
Calendar Year	Per Capita Personal Income	% Change
2004	\$27,320	6.17%
2005	28,122	2.94%
2006	29,334	4.31%
2007	30,619	4.38%
2008	30,606	-0.04%
2009	30,254	-1.15%
2010	30,244	-0.03%
2011	32,193	6.44%
2012	33,314	3.48%
2013	33,356	0.13%
2014	34,586	3.69%

Source: Bureau of Economic Analysis (BEA).

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December 15, 2015

Personal Income Per Capita Comparison – CY 2014



Locality	Per Capita Personal Income
Rockingham Co. + Harrisonburg	\$33,703
Roanoke Co. + Salem	45,577
Pittsylvania Co. + Danville	32,716
Montgomery Co. + Radford	31,569
James City Co. + Williamsburg	57,465
Frederick Co. + Winchester	42,701
Fauquier County	61,982
Botetourt County	45,055
Bedford County	41,307
City of Roanoke	39,385
Nat'l Aa2 Counties Median	32,481
Nat'l Aa1 Counties Median	38,545
Franklin County	\$34,586

Source: Franklin County and VA Peer data from BEA data for CY 2014. BEA estimates shown above were updated 11/19/15. National Medians from Moody's MFR database based on FY 2013 financials.

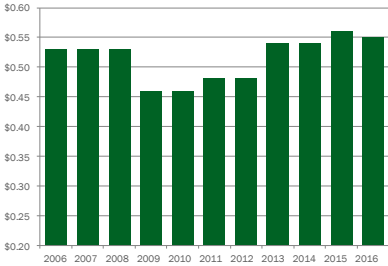
Franklin County, VA

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Real Estate Tax Rate



Historical County Tax Rate



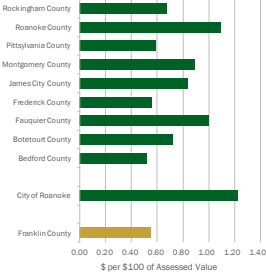
Fiscal Year	Real Estate Tax Rate
2006	\$0.53
2007	0.53
2008	0.53
2009	0.46
2010	0.46
2011	0.48
2012	0.48
2013	0.54
2014	0.54
2015	0.56
2016	0.55

Sources: Franklin County FY 2014 CAFR (2005-2014) and Budget documents (2015-2016).

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December 15, 2015

Tax Rate Comparison – FY 2016



Locality	Tax Rate (per \$100)
Rockingham County	\$0.68
Roanoke County	1.09
Pittsylvania County	0.59
Montgomery County	0.89
James City County	0.84
Frederick County	0.56
Fauquier County	0.999
Botetourt County	0.72
Bedford County	0.52
City of Roanoke	1.22
Franklin County	\$0.55

Sources: Franklin County FY 2016 Budget and VA Peer FY 2016 Budgets. Fauquier County's tax rate consists of a \$0.948 Base rate, a \$0.045 Fire & Rescue Levy, and a \$0.006 Conservation Easement Levy.

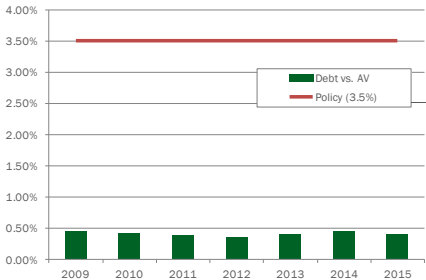
Franklin County, VA

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Debt vs. Assessed Value



Historical Debt vs. Assessed Value



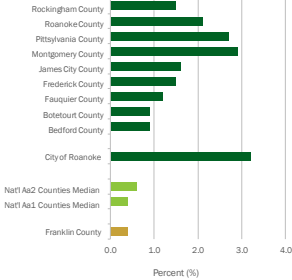
FY	Outstanding Debt	Total AV	Debt vs. AV
2009	\$36,418,271	\$8,292,525,331	0.44%
2010	34,807,635	8,363,776,434	0.42%
2011	31,900,271	8,406,494,817	0.38%
2012	29,042,189	8,493,026,694	0.34%
2013	29,212,112	7,311,819,908	0.40%
2014	33,164,494	7,377,048,819	0.45%
2015	30,101,465	7,377,048,819	0.41%

Sources: 2009-2014 Outstanding Debt and Assessed Value from FY 2014 CAFR; 2015 Outstanding Debt per County Staff/Davenport model. FY 2015 assumes a 0% growth from FY 2014 AV per FY 2014 CAFR.

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December 15, 2015

Debt vs. Assessed Value Comparison⁽¹⁾



Locality	Debt vs. Assessed Value
Rockingham County	1.5%
Roanoke County	2.1%
Pittsylvania County	2.7%
Montgomery County	2.9%
James City County	1.6%
Frederick County	1.5%
Fauquier County	1.2%
Botetourt County	0.9%
Bedford County	0.9%
City of Roanoke	3.2%
Nat'l As2 Counties Median	0.6%
Nat'l As1 Counties Median	0.4%
Franklin County	0.41%

Source: Moody's MFRA database; Davenport model.
(1) Franklin County ratio estimated for FY 2015; includes only County and Schools debt. All other ratios from MFRA based on FY 2013 financials.

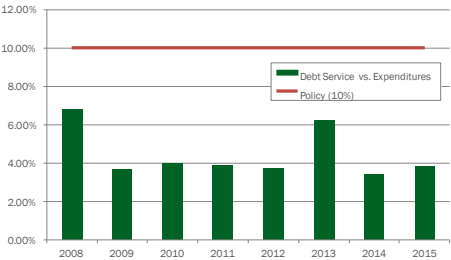
Franklin County, VA

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Debt Service vs. Expenditures



Historical Debt Service vs. Expenditures



FY	General Gov't	Adjusted ⁽¹⁾	Debt Service vs.
	Debt Service	Expenditures	Expenditures
2008	\$7,438,078	\$108,982,467	6.83%
2009	4,409,762	119,620,058	3.69%
2010	4,621,790	114,961,020	4.02%
2011	4,484,346	115,584,016	3.88%
2012	4,321,896	114,804,280	3.76%
2013	7,360,044	117,568,321	6.26%
2014	4,095,573	119,489,463	3.43%
2015 ⁽²⁾	4,638,585	120,684,358	3.84%

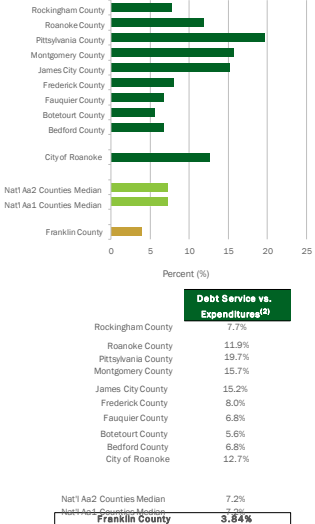
Sources: Franklin County FY 2008 – FY 2014 CAFRs, VA Peer and National Median data from Moody's MFRA database based on FY 2013 audited financials.
(1) Adjusted Expenditures represent the ongoing operating expenditures of the County. Adjusted Expenditures include (a) expenditures of Governmental Funds and (b) expenditures of the School Operating Fund net of (c) transfers from Governmental Funds to the School Operating Fund, (d) debt service expenditures, (e) costs of debt issuance, and (f) capital project expenditures.
(2) Franklin County ratio estimated for FY 2015. FY 2015 adjusted expenditures based on 1% growth rate from FY 2014 adjusted expenditures. FY 2015 debt service per Davenport model. VA Peer and National Median ratios based on FY 2013 financials.

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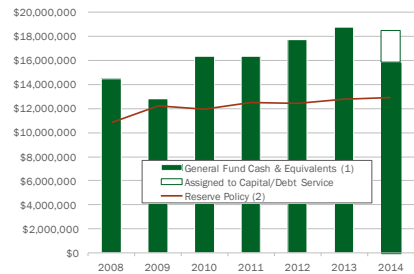
Debt Service vs. Expenditures Comparison



Fund Balance/Reserve Levels



Historical General Fund Cash & Equivalents vs. Policy



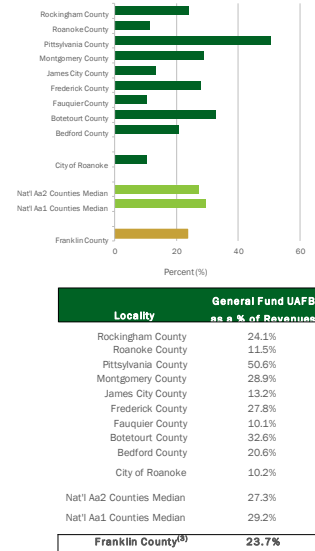
Fiscal Year	General Fund Cash and Equivalents ⁽¹⁾	General FB Assigned to Capital/DS	Reserve Policy Target ⁽²⁾
2008	\$14,465,292	-	\$10,826,653
2009	12,807,029	-	12,208,699
2010	16,361,637	-	11,973,622
2011	16,336,916	-	12,523,500
2012	17,738,188	-	12,409,412
2013	18,754,050	-	12,775,745
2014	15,853,033	2,681,011	12,962,385

Sources: Franklin County FY 2008 – FY 2014 CAFRs.
(1) General Fund Cash and Cash Equivalents shown net of General Fund Balance classified as Restricted in FY 2011 – FY 2014 or Reserved in FY 2008 – FY 2010.
(2) Two months of General Fund revenues (i.e. 1/6 of annual revenues) per County policy.

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Unassigned Fund Balance vs. Revenues Comparison⁽³⁾



Source: Moody's MFRA database; Franklin County FY 2014 CAFR.
(3) Franklin County ratio based on FY 2014 General Fund UAFB of \$18,430,083 and Revenues of \$77,774,308. VA Peer and National Median ratios based on FY 2013 financials.

Franklin County, VA 14

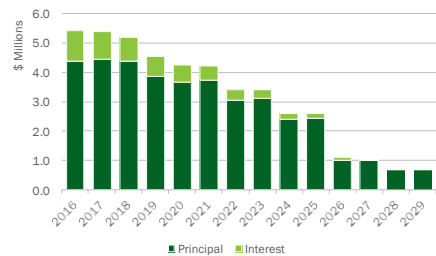


Existing County and Schools Debt Profile

Existing County and Schools Debt Profile



County and Schools Debt Service



Par Outstanding – Estimated as of 6/30/2015

Type	Par Amount
County Debt	\$25,611,645
Schools Debt	13,354,752
Total	\$38,966,397

County and Schools Debt Service

FY	Principal	Interest	Total	10-yr Payout Ratio
Total	\$38,966,397	\$5,637,390	\$44,603,786	
2016	4,391,202	1,045,910	5,437,112	91.3%
2017	4,460,579	923,329	5,383,908	93.1%
2018	4,401,471	793,670	5,195,141	95.5%
2019	3,862,837	674,290	4,537,127	97.3%
2020	3,676,455	564,742	4,241,197	100.0%
2021	3,751,477	456,640	4,208,117	100.0%
2022	3,062,295	363,511	3,425,806	100.0%
2023	3,126,322	285,055	3,411,377	100.0%
2024	2,405,279	205,014	2,610,293	100.0%
2025	2,450,079	143,481	2,593,560	100.0%
2026	1,000,334	89,423	1,089,757	100.0%
2027	1,022,067	54,785	1,076,852	100.0%
2028	669,000	28,091	697,091	100.0%
2029	687,000	9,446	696,446	100.0%

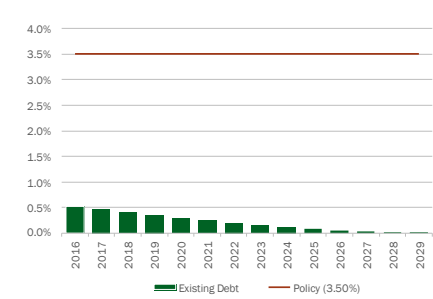
- The County's Tax Supported payout is rapid, with over 91% of principal repaid in 10 years.
- The County's debt profile as shown above includes the \$12.5 million Radio System Lease/Financing transaction that closed in February 2015 (the "2015 Financing").

Sources: County Staff; Davenport debt model as estimated from bond documentation and County spreadsheets.
Note: Davenport's estimate of County and Schools debt service is greater than the figure in County Staff's August 7 County capital funding spreadsheet by a total of \$28,637 during FY 2016 - 2018. Davenport and County Staff's numbers match in FY 2019 and thereafter. May require clarification.

Debt vs. Assessed Value
Projected Ratios



Projected Debt vs. Assessed Value



Debt vs. Assessed Value

Existing Debt vs. Assessed Value	
– FY 2016:	0.53%
Outstanding Debt	
– FY 2016 ⁽¹⁾ :	\$38,966,397
Assessed Value	
– FY 2016 ⁽²⁾ :	\$7,377,048,819
Moody's Criteria for General Obligation Credits defines categories of Debt to Assessed Values as ⁽³⁾ :	
– Very Strong (Aaa):	< 0.75%
– Strong (Aa):	0.75% - 1.75%
– Moderate (A):	1.75% - 4.00%
– Weak – Very Poor (Baa and below):	> 4.00%

Sources:
(1) Davenport debt model.
(2) Based on FY 2014 Assessed Value (per FY14 CAFR) of \$7,377,048,819. Assumes 0% annual growth in FY15, FY16, and thereafter.
(3) Moody's Investors Service.

Debt vs. Assessed Value

Capacity for Additional Debt



Debt Capacity: Moody's "Strong" Ratio (1.75%)(1)

	A	less B	equals C
	Moody's "Strong" Ratio	Existing Debt	Additional Debt
FY	(1.75% of AV)	Outstanding	Capacity
Total			
2016	\$129,098,354	\$38,966,397	\$90,131,958
2017	129,098,354	34,575,195	94,523,160
2018	129,098,354	30,114,616	98,983,738
2019	129,098,354	25,713,145	103,385,210
2020	129,098,354	21,850,308	107,248,046
2021	129,098,354	18,173,853	110,924,501
2022	129,098,354	14,422,376	114,675,978
2023	129,098,354	11,360,081	117,738,274
2024	129,098,354	8,233,759	120,864,595
2025	129,098,354	5,828,480	123,269,874

Debt Capacity: County Debt Policy Ratio (3.50%)(4)

	A	less B	equals C
	Debt Policy Ratio	Existing Debt	Additional Debt
FY	(3.5% of AV)	Outstanding	Capacity
Total			
2016	\$258,196,709	\$38,966,397	\$219,230,312
2017	258,196,709	34,575,195	223,621,514
2018	258,196,709	30,114,616	228,082,093
2019	258,196,709	25,713,145	232,483,564
2020	258,196,709	21,850,308	236,346,401
2021	258,196,709	18,173,853	240,022,856
2022	258,196,709	14,422,376	243,774,333
2023	258,196,709	11,360,081	246,836,628
2024	258,196,709	8,233,759	249,962,950
2025	258,196,709	5,828,480	252,368,229

- When the County's outstanding debt is compared to Moody's threshold ratio for "Strong (Aa)" credits (i.e. <1.75% of Assessed Value), the County will have additional Debt Capacity of approximately **\$107 million over the next five years.**
- The County will have additional Debt Capacity of approximately **\$123 million over the next ten years.**

- When the County's projected outstanding debt is compared to its Debt Policy Ratio (i.e. 3.5% of Assessed Value), the County will have additional Debt Capacity of approximately **\$236 million over the next five years.**
- The County will have additional Debt Capacity of approximately **\$252 million over the next ten years.**

(1) Based on FY 2014 Assessed Value of \$7,377,048,819. The above analyses assume an annual Assessed Value growth rate of 0%.

(2) If Assessed Value was to grow at an annual rate of 2.5%, Additional Debt Capacity, with respect to Moody's "Strong (Aa)" ratio, would increase to roughly **\$127 million** after 5 years and roughly **\$163 million** after 10 years. Assumes FY 2014 AV of \$7,377,048,819 as base of projection.

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Debt Service vs. Expenditures

Projected Ratios



Projected Debt Service vs. Expenditures



Debt Service vs. Expenditures

- Existing Debt Service vs. Expenditures
 - FY 2016: 4.46%
- Existing Debt Service
 - FY 2016(1): \$5,437,112
- Adjusted Expenditures (Projected)
 - FY 2016(2): \$121,891,201
- Standard & Poor's Criteria for General Obligation Credits defines categories of Debt Service as % of Governmental Expenditures as(3):
 - Very Strong < 8%
 - Strong: 8% - 15%
 - Adequate: 15% - 25%
 - Weak: 25% - 35%
 - Very Weak: > 35%

Sources:

(1) Davenport debt model.

(2) Based on FY 2014 Adjusted Expenditures (per FY14 CAFR) of \$119,489,463.

Assumes 1% annual growth in FY15, FY16, and thereafter.

(3) Standard & Poor's: U.S. Local Governments General Obligation Ratings: Methodology and Assumptions.

(2) Adjusted Expenditures represent the ongoing operating expenditures of the County. Adjusted Expenditures include (a) expenditures of Governmental Funds and (b) expenditures of the School Operating Fund net of (c) transfers from Governmental Funds to the School Operating Fund, (d) debt service expenditures, (e) costs of debt issuance, and (f) capital project expenditures.

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Debt Service vs. Expenditures

Capacity for Additional Debt



Debt Capacity: S&P's "Very Strong" Ratio (8%)

	A	less B	equals C	D
FY	S&P "Very Strong" Ratio (8% of Expend.)	Existing Debt Service	Available Revenues	Additional Debt Capacity ³
Total				
2016	\$9,751,296	\$5,437,112	\$4,314,184	\$53,764,268
2017	9,848,809	5,383,908	4,464,901	55,642,541
2018	9,947,297	5,195,141	4,752,156	59,222,369
2019	10,046,770	4,537,127	5,509,643	68,662,331
2020	10,147,238	4,241,197	5,906,040	73,602,318
2021	10,248,710	4,208,117	6,040,593	75,279,138
2022	10,351,197	3,425,806	6,925,391	86,305,678
2023	10,454,709	3,411,377	7,043,332	87,775,488
2024	10,559,256	2,610,293	7,948,963	99,061,649
2025	10,664,849	2,593,560	8,071,289	100,586,102

Debt Capacity: County Debt Policy Ratio (10%)

	A	less B	equals C	D
FY	Debt Policy Ratio (10% of Expend.)	Existing Debt Service	Available Revenues	Additional Debt Capacity ³
Total				
2016	\$12,189,120	\$5,437,112	\$6,752,008	\$84,144,944
2017	12,311,011	5,383,908	6,927,104	86,327,023
2018	12,434,121	5,195,141	7,238,980	90,213,696
2019	12,558,463	4,537,127	8,021,336	99,963,572
2020	12,684,047	4,241,197	8,442,850	105,216,571
2021	12,810,888	4,208,117	8,602,770	107,209,533
2022	12,938,997	3,425,806	9,513,190	118,555,378
2023	13,068,387	3,411,377	9,657,010	120,347,684
2024	13,199,070	2,610,293	10,588,777	131,959,568
2025	13,331,061	2,593,560	10,737,501	133,812,999

- When the County's projected debt service is compared to S&P's threshold ratio for "Very Strong" credits (i.e. 8% of Expenditures), the County will have additional Debt Capacity of approximately **\$74 million over the next five years.**

▪ The County will have additional Debt Capacity of approximately **\$101 million over the next ten years.**
- When the County's projected debt service is compared to its Debt Policy Ratio (i.e. 10% of Expenditures), the County will have additional Debt Capacity of approximately **\$105 million over the next five years.**

▪ The County will have additional Debt Capacity of approximately **\$134 million over the next ten years.**

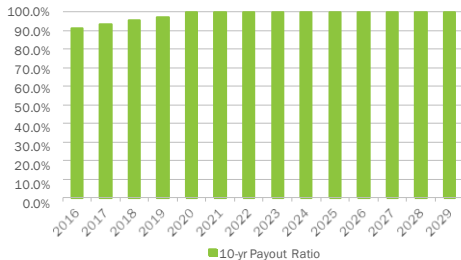
(1) Adjusted Expenditures represent the ongoing operating expenditures of the County. Adjusted Expenditures include (a) expenditures of Governmental Funds and (b) expenditures of the School Operating Fund net of (c) transfers from Governmental Funds to the School Operating Fund, (d) debt service expenditures, (e) costs of debt issuance, and (f) capital project expenditures.
(2) Based on FY 2014 Adjusted Expenditures of \$119,489,463. Analysis assumes annual expenditure growth rate of 1%.
(3) Debt capacity shows the maximum amount of debt the County could issue using Available Revenues. Assumes new debt is issued with a level debt service structure over 20 years at an interest rate of 5.00%.

10-Year Payout Ratio

Projected Ratios



10-Year Payout Ratio



10-Year Payout Ratio

- Existing 10-Year Payout Ratio⁽¹⁾

– FY 2016:

91%
- The 10-Year Payout Ratio measures the amount of principal to be retired in the next 10 years.

▪ This ratio is an important metric that demonstrates how quickly a local government pays off its debt.

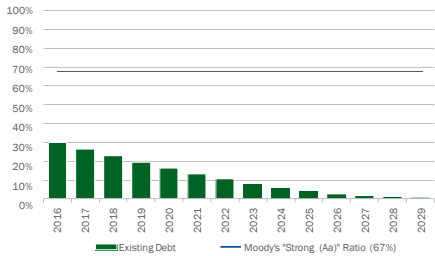
Sources:
(1) Davenport debt model.

Debt vs. Governmental Revenues

Projected Ratios



Debt as a % of Revenues



Note: "Debt vs. Governmental Revenues" is a new Moody's ratio and, as such, the County does not currently have a policy governing this ratio.

Sources:

- (1) Davenport debt model.
- (2) Adjusted Revenues include revenues of Governmental Funds plus revenues of the School Operating Fund net of the transfer from the General Fund to the School Operating Fund.
- (3) Based on FY 2014 Adjusted Revenues (per FY14 CAFR) of \$126,896,540. Assumes 1% annual growth in FY15, FY 16, and thereafter.
- (4) Moody's Investors Service.

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Debt as a % of Revenues

Existing Debt as a % of Governmental Revenues

– FY 2016: 30.10%

Outstanding Debt

– FY 2016⁽¹⁾: \$38,966,397

Adjusted Revenues (Projected)⁽²⁾

– FY 2016⁽³⁾: \$129,447,160

Recently, both Moody's and Standard and Poor's have emphasized the Net Direct Debt as a % of Governmental Revenues metric as part of a revised Rating Methodology.

Moody's Criteria for General Obligation Credits defines categories of Debt to Governmental Revenues as⁽⁴⁾:

- Very Strong (Aaa): < 33%
- Strong (Aa): 33% - 67%
- Moderate (A): 67% - 300%
- Weak – Very Poor (Baa and below): > 300%

Debt vs. Governmental Revenues

Capacity for Additional Debt



Debt Capacity: Moody's "Strong (Aa)" Ratio (67%)⁽¹⁾

	A	less B	equals C
	Moody's "Strong (Aa)" Ratio (67% of Rev.)	Existing Debt Outstanding	Additional Debt Capacity
Total			
2016	\$86,729,598	\$38,966,397	\$47,763,201
2017	87,596,893	34,575,195	53,021,699
2018	88,472,862	30,114,616	58,358,247
2019	89,357,591	25,713,145	63,644,446
2020	90,251,167	21,850,308	68,400,859
2021	91,153,679	18,173,853	72,979,826
2022	92,065,215	14,422,376	77,642,840
2023	92,985,868	11,360,081	81,625,787
2024	93,915,726	8,233,759	85,681,967
2025	94,854,883	5,828,480	89,026,403

Debt Capacity: Moody's "Strong (Aa)" Ratio (67%)⁽¹⁾

When the County's projected outstanding debt is compared to Moody's threshold ratio for "Strong (Aa)" credits (i.e. 67% of Revenues), the County will have additional Debt Capacity of approximately **\$68 million over the next five years.**

The County will have additional Debt Capacity of approximately **\$89 million over the next ten years.**

(1) Based on FY 2014 Adjusted Revenues of \$126,896,540. Analysis assumes annual revenue growth rate of 1%.

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Debt Capacity Summary



Debt Capacity by Ratio

	Debt vs. Assessed Value ⁽¹⁾	
	No AV Growth (0%)	With AV Growth (2.5%)
5-Year Capacity	\$107 million	\$127 million
10-Year Capacity	\$123 million	\$163 million

Debt Capacity

(1) The County's Debt vs. Assessed Value ratio is measured against the Moody's threshold ratio for "Strong (Aa)" credits – 1.75% of Assessed Value.

Debt Service vs. Expenditures ⁽²⁾	
5-Year Capacity	\$74 million
10-Year Capacity	\$101 million

(2) The County's Debt Service vs. Expenditures ratio is measured against the S&P threshold ratio for "Very Strong" credits – 8% of Expenditures.

Debt vs. Revenues ⁽³⁾	
5-Year Capacity	\$68 million
10-Year Capacity	\$89 million

(3) The County's Debt vs. Governmental Revenues ratio is measured against the Moody's threshold ratio for "Strong (Aa)" credits – 67% of revenues.



Appendix

Existing Tax Supported Debt Summary



County Debt Service			
FY	Principal	Interest	Total
Total	\$25,811,645	\$3,257,142	\$28,868,787
2016	2,487,505	534,195	3,021,700
2017	2,535,612	488,534	3,024,145
2018	2,455,941	435,153	2,891,094
2019	2,510,952	382,364	2,893,316
2020	2,303,395	331,169	2,634,565
2021	2,356,364	281,595	2,637,959
2022	2,192,932	233,300	2,426,232
2023	2,240,944	186,331	2,427,275
2024	1,924,000	138,293	2,062,293
2025	1,964,000	98,560	2,062,560
2026	634,000	63,883	697,883
2027	650,000	46,228	696,228
2028	669,000	28,091	697,091
2029	687,000	9,446	696,446
2030	-	-	-

School Debt Service			
FY	Principal	Interest	Total
Total	\$13,354,752	\$2,380,248	\$15,734,999
2016	1,903,697	511,715	2,415,412
2017	1,924,967	434,795	2,359,762
2018	1,945,531	358,517	2,304,047
2019	1,351,885	291,926	1,643,811
2020	1,373,060	233,573	1,606,633
2021	1,395,113	175,045	1,570,159
2022	869,363	130,212	999,575
2023	885,378	98,724	984,102
2024	481,279	66,721	548,000
2025	486,079	44,921	531,000
2026	366,334	25,541	391,875
2027	372,067	8,558	380,625
2028	-	-	-
2029	-	-	-
2030	-	-	-

Total County and School Debt				
FY	Principal	Interest	Total	10-yr Payout Ratio
Total	\$38,866,397	\$5,637,390	\$44,603,786	
2016	4,391,202	1,045,910	5,437,112	91.3%
2017	4,460,979	923,329	5,383,308	93.1%
2018	4,401,471	793,670	5,195,141	95.5%
2019	3,862,837	674,290	4,537,127	97.3%
2020	3,676,455	564,742	4,241,197	100.0%
2021	3,751,477	456,640	4,208,117	100.0%
2022	3,062,295	383,511	3,445,806	100.0%
2023	3,126,322	285,055	3,411,377	100.0%
2024	2,405,279	205,014	2,610,293	100.0%
2025	2,450,079	143,481	2,593,560	100.0%
2026	1,000,334	89,423	1,089,757	100.0%
2027	1,022,067	54,785	1,076,852	100.0%
2028	669,000	28,091	697,091	100.0%
2029	687,000	9,446	696,446	100.0%
2030	-	-	-	

IDA Debt			
FY	Principal	Interest	Total
Total	\$4,844,895	\$1,421,449	\$6,266,344
2016	364,646	187,984	552,630
2017	375,789	173,953	549,742
2018	387,056	159,019	546,075
2019	398,450	143,549	541,998
2020	409,972	124,069	534,042
2021	254,408	114,458	368,866
2022	262,860	104,381	367,042
2023	273,828	93,890	367,719
2024	285,062	82,906	367,968
2025	296,365	71,410	367,775
2026	307,737	59,396	367,133
2027	319,181	46,849	366,030
2028	330,699	33,764	364,463
2029	345,142	20,015	365,217
2030	233,700	5,746	239,446

Note: IDA Debt excluded from Tax Supported Debt totals used in Debt Capacity and Debt Affordability analyses.

County Debt



\$1,362,697

BB&T 2013 Amendment to 2011 Refunding of 2005 Promissory Note

FY	Coupon	Principal	Interest	Total
Total		1,182,878	82,589	1,265,467
2016	2.270%	184,557	24,757	209,313
2017	2.270%	189,418	20,512	209,930
2018	2.270%	194,408	16,156	210,564
2019	2.270%	199,529	11,684	211,214
2020	2.270%	204,785	7,095	211,881
2021	2.270%	210,180	2,386	212,565
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-

Dated Date: 6/25/2011 Next Call: Payment Date

Purpose: Workforce/Radio System Insurance: at 101%
N/A

Coupon Dates: Jan 15/Jul 15 Maturity Date: Jul 15

\$3,130,131

BB&T 2013 Amendment to 2011 Refunding of 2007B

FY	Coupon	Principal	Interest	Total
Total		2,573,857	308,816	2,882,673
2016	2.580%	290,382	66,406	356,788
2017	2.580%	298,849	58,914	357,763
2018	2.580%	307,533	51,203	358,736
2019	2.580%	316,423	43,269	359,692
2020	2.580%	325,610	35,105	360,715
2021	2.580%	335,184	26,705	361,889
2022	2.580%	344,932	18,057	362,989
2023	2.580%	354,944	9,158	364,101
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-

Dated Date: 6/25/2011 Next Call: Payment Date

Purpose: Government Center Insurance: at 101%
N/A

Coupon Dates: Jan 15/Jul 15 Maturity Date: Jul 15



Appendix

Existing Tax Supported Debt Summary



County Debt Service			
FY	Principal	Interest	Total
Total	\$25,811,845	\$3,257,142	\$28,888,787
2016	2,487,505	534,195	3,021,700
2017	2,535,612	488,534	3,024,145
2018	2,455,941	435,153	2,891,094
2019	2,510,952	382,364	2,893,316
2020	2,303,395	331,169	2,634,565
2021	2,356,364	281,595	2,637,959
2022	2,192,932	233,300	2,426,232
2023	2,240,944	186,331	2,427,275
2024	1,924,000	138,293	2,062,293
2025	1,964,000	98,560	2,062,560
2026	634,000	63,883	697,883
2027	650,000	46,228	696,228
2028	669,000	28,091	697,091
2029	687,000	9,446	696,446
2030	-	-	-

School Debt Service			
FY	Principal	Interest	Total
Total	\$13,354,752	\$2,380,248	\$15,734,999
2016	1,903,697	511,715	2,415,412
2017	1,924,967	434,795	2,359,762
2018	1,945,531	358,517	2,304,047
2019	1,351,885	291,926	1,643,811
2020	1,373,060	233,573	1,606,633
2021	1,395,113	175,045	1,570,159
2022	869,363	130,212	999,575
2023	885,378	98,724	984,102
2024	481,279	66,721	548,000
2025	486,079	44,921	531,000
2026	366,334	25,541	391,875
2027	372,067	8,558	380,625
2028	-	-	-
2029	-	-	-
2030	-	-	-

Total County and School Debt				
FY	Principal	Interest	Total	10-yr Payout Ratio
Total	\$38,866,997	\$5,637,390	\$44,603,788	
2016	4,391,202	1,045,910	5,437,112	91.3%
2017	4,460,979	923,329	5,383,908	93.1%
2018	4,401,471	793,670	5,195,141	95.5%
2019	3,862,837	674,290	4,537,127	97.3%
2020	3,676,455	564,742	4,241,197	100.0%
2021	3,751,477	456,640	4,208,117	100.0%
2022	3,062,295	383,511	3,425,806	100.0%
2023	3,126,322	285,055	3,411,377	100.0%
2024	2,405,279	205,014	2,610,293	100.0%
2025	2,405,279	143,481	2,593,560	100.0%
2026	2,450,079	89,423	1,089,757	100.0%
2027	1,000,334	54,785	1,076,852	100.0%
2028	1,022,067	28,091	697,091	100.0%
2029	689,000	9,446	696,446	100.0%
2030	-	-	-	

IDA Debt			
FY	Principal	Interest	Total
Total	\$4,844,695	\$1,421,449	\$6,266,144
2016	364,646	187,984	552,630
2017	375,789	173,953	549,742
2018	387,056	159,019	546,075
2019	398,450	143,549	541,998
2020	409,972	124,069	534,042
2021	254,408	114,458	368,866
2022	262,660	104,381	367,042
2023	273,829	93,890	367,719
2024	285,062	82,906	367,968
2025	296,365	71,410	367,775
2026	307,737	59,396	367,133
2027	319,181	46,849	366,030
2028	330,699	33,764	364,463
2029	345,142	20,015	365,217
2030	233,700	5,746	239,446

County Debt



\$1,362,697					\$3,130,131				
BB&T 2013 Amendment to 2011 Refunding of 2005 Promissory Note					BB&T 2013 Amendment to 2011 Refunding of 2007B				
FY	Coupon	Principal	Interest	Total	FY	Coupon	Principal	Interest	Total
Total		1,182,878	82,589	1,265,467	Total		2,573,857	308,816	2,882,673
2016	2.270%	184,557	24,757	209,313	2016	2.580%	290,382	66,406	356,788
2017	2.270%	189,418	20,512	209,930	2017	2.580%	298,849	58,914	357,763
2018	2.270%	194,408	16,156	210,564	2018	2.580%	307,533	51,203	358,736
2019	2.270%	199,529	11,684	211,214	2019	2.580%	316,423	43,269	359,692
2020	2.270%	204,785	7,095	211,881	2020	2.580%	325,610	35,105	360,715
2021	2.270%	210,180	2,386	212,565	2021	2.580%	335,184	26,705	361,889
2022	-	-	-	-	2022	2.580%	344,932	18,057	362,989
2023	-	-	-	-	2023	2.580%	354,944	9,158	364,101
2024	-	-	-	-	2024	-	-	-	-
2025	-	-	-	-	2025	-	-	-	-
2026	-	-	-	-	2026	-	-	-	-
2027	-	-	-	-	2027	-	-	-	-
2028	-	-	-	-	2028	-	-	-	-
2029	-	-	-	-	2029	-	-	-	-
Dated Date: 6/25/2011 Next Call: Payment Date					Dated Date: 6/25/2011 Next Call: Payment Date				
at 101%					at 101%				
N/A					N/A				
Purpose: Workforce/Radio System Insurance: Maturity Date: Jul 15					Purpose: Government Center Insurance: Maturity Date: Jul 15				
Coupon Dates: Jan 15/Jul 15					Coupon Dates: Jan 15/Jul 15				

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Franklin County, VA 27

County Debt



\$8,518,000					\$1,226,000				
2013A Lease Revenue Bond - Long Term County Projects					2013B Lease Revenue Bond - Short Term Leases				
FY	Coupon	Principal	Interest	Total	FY	Coupon	Principal	Interest	Total
Total		8,095,000	1,658,099	9,753,099	Total		995,000	43,355	1,038,355
2016	2.750%	479,000	216,026	695,026	2016	2.150%	241,000	18,802	259,802
2017	2.750%	493,000	202,661	695,661	2017	2.150%	246,000	13,567	259,567
2018	2.750%	508,000	188,898	696,898	2018	2.150%	251,000	8,224	259,224
2019	2.750%	522,000	174,735	696,735	2019	2.150%	257,000	2,763	259,763
2020	2.750%	536,000	160,188	696,188	2020	-	-	-	-
2021	2.750%	552,000	145,228	697,228	2021	-	-	-	-
2022	2.750%	567,000	129,841	696,841	2022	-	-	-	-
2023	2.750%	583,000	114,029	697,029	2023	-	-	-	-
2024	2.750%	599,000	97,776	696,776	2024	-	-	-	-
2025	2.750%	616,000	81,070	697,070	2025	-	-	-	-
2026	2.750%	634,000	63,883	697,883	2026	-	-	-	-
2027	2.750%	650,000	46,228	696,228	2027	-	-	-	-
2028	2.750%	669,000	28,091	697,091	2028	-	-	-	-
2029	2.750%	687,000	9,446	696,446	2029	-	-	-	-
Dated Date: 11/20/13 Next Call: Anytime @					Dated Date: 11/20/13 Next Call: Anytime @				
100%					100%				
N/A					N/A				
Purpose: Public Improvements Insurance: Maturity Date: Aug 1					Purpose: Capital Leases Insurance: Maturity Date: Aug 1				
Coupon Dates: Feb 1/Aug 1					Coupon Dates: Feb 1/Aug 1				

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Franklin County, VA 28

County Debt



\$12,500,000					\$655,000				
2015 Radio System Lease/Purchase Financing					Landfill Equipment				
FY	Coupon	Principal	Interest	Total	FY	Coupon	Principal	Interest	Total
Total		12,500,000	1,158,902	13,658,902	Total		264,910	5,381	270,291
2016	1.730%	1,161,000	204,625	1,365,625	2016	1.351%	131,566	3,579	135,146
2017	1.730%	1,175,000	191,079	1,366,079	2017	1.351%	133,344	1,802	135,146
2018	1.730%	1,195,000	170,673	1,365,673	2018		-	-	-
2019	1.730%	1,216,000	149,913	1,365,913	2019		-	-	-
2020	1.730%	1,237,000	128,781	1,365,781	2020		-	-	-
2021	1.730%	1,259,000	107,277	1,366,277	2021		-	-	-
2022	1.730%	1,281,000	85,401	1,366,401	2022		-	-	-
2023	1.730%	1,303,000	63,145	1,366,145	2023		-	-	-
2024	1.730%	1,325,000	40,517	1,365,517	2024		-	-	-
2025	1.730%	1,348,000	17,490	1,365,490	2025		-	-	-
2026		-	-	-	2026		-	-	-
2027		-	-	-	2027		-	-	-
2028		-	-	-	2028		-	-	-
2029		-	-	-	2029		-	-	-

Dated Date: 2/26/2015

Next Call: Any pmt date at 101% (first 5 years), 100% (after)

Purpose: Radio System

Insurance: N/A

Coupon Dates: Feb 15/Aug 15

Maturity Date: Feb 15/Aug 15

Dated Date: TBD

Next Call: TBD

Purpose: TBD

Insurance: TBD

Coupon Dates: TBD

Maturity Date: TBD

County Debt



\$1,000,000				
WVCC Note				
FY	Coupon	Principal	Interest	Total
Total		400,000	-	400,000
2016	0.000%	100,000	-	100,000
2017	0.000%	100,000	-	100,000
2018	0.000%	100,000	-	100,000
2019	0.000%	100,000	-	100,000
2020		-	-	-
2021		-	-	-
2022		-	-	-
2023		-	-	-
2024		-	-	-
2025		-	-	-
2026		-	-	-
2027		-	-	-
2028		-	-	-
2029		-	-	-

Dated Date: 12/15/09

Next Call: TBD

Purpose: General Govt. Projects

Insurance: TBD

Coupon Dates: TBD

Maturity Date: TBD

Schools Debt



\$4,595,000

March 1997 Lit Loans (5)

FY	Coupon	Principal	Interest	Total
Total		689,250	31,016	720,266
2016	3.000%	229,750	17,231	246,981
2017	3.000%	229,750	10,339	240,089
2018	3.000%	229,750	3,446	233,196
2019		-	-	-
2020		-	-	-
2021		-	-	-
2022		-	-	-
2023		-	-	-
2024		-	-	-
2025		-	-	-
2026		-	-	-
2027		-	-	-

Dated Date: 3/17/1997 Next Call: TBD

Purpose: Schools Insurance: N/A

Coupon Dates: Jan 15/Jul 15 Maturity Date: Jul 15

\$210,000

September 1997 Lit Loan (1)

FY	Coupon	Principal	Interest	Total
Total		31,500	1,418	32,918
2016	3.000%	10,500	788	11,288
2017	3.000%	10,500	473	10,973
2018	3.000%	10,500	158	10,658
2019		-	-	-
2020		-	-	-
2021		-	-	-
2022		-	-	-
2023		-	-	-
2024		-	-	-
2025		-	-	-
2026		-	-	-
2027		-	-	-

Dated Date: 9/15/1997 Next Call: TBD

Purpose: Schools Insurance: N/A

Coupon Dates: Jan 15/Jul 15 Maturity Date: Jul 15

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Franklin County, VA 31

Schools Debt



\$2,470,000

October 1997 Lit Loans (3)

FY	Coupon	Principal	Interest	Total
Total		370,500	16,673	387,173
2016	3.000%	123,500	9,263	132,763
2017	3.000%	123,500	5,558	129,058
2018	3.000%	123,500	1,853	125,353
2019		-	-	-
2020		-	-	-
2021		-	-	-
2022		-	-	-
2023		-	-	-
2024		-	-	-
2025		-	-	-
2026		-	-	-
2027		-	-	-

Dated Date: 10/7/1997 Next Call: TBD

Purpose: Schools Insurance: N/A

Coupon Dates: Jan 15/Jul 15 Maturity Date: Jul 15

\$5,000,000

July 1998 Lit Loan (1)

FY	Coupon	Principal	Interest	Total
Total		750,000	33,750	783,750
2016	3.000%	250,000	18,750	268,750
2017	3.000%	250,000	11,250	261,250
2018	3.000%	250,000	3,750	253,750
2019		-	-	-
2020		-	-	-
2021		-	-	-
2022		-	-	-
2023		-	-	-
2024		-	-	-
2025		-	-	-
2026		-	-	-
2027		-	-	-

Dated Date: 7/16/1998 Next Call: TBD

Purpose: Schools Insurance: N/A

Coupon Dates: Jan 15/Jul 15 Maturity Date: Jul 15

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Franklin County, VA 32

Schools Debt



\$6,790,943 2006A VPSA					\$2,500,000 2004 VPSA				
FY	Coupon	Principal	Interest	Total	FY	Coupon	Principal	Interest	Total
Total		4,158,954	1,151,046	5,310,000	Total		1,250,000	288,828	1,538,828
2016	5.100%	323,446	180,929	504,375	2016	5.100%	125,000	56,344	181,344
2017	5.100%	328,829	164,296	493,125	2017	5.100%	125,000	49,969	174,969
2018	4.225%	332,998	148,877	481,875	2018	5.100%	125,000	43,594	168,594
2019	4.350%	336,093	134,532	470,625	2019	5.100%	125,000	37,219	162,219
2020	4.350%	339,538	119,837	459,375	2020	5.100%	125,000	30,844	155,844
2021	4.350%	343,136	104,989	448,125	2021	4.100%	125,000	25,094	150,094
2022	4.600%	347,338	89,537	436,875	2022	4.225%	125,000	19,891	144,891
2023	4.400%	351,817	73,808	425,625	2023	4.600%	125,000	14,375	139,375
2024	4.475%	356,279	58,096	414,375	2024	4.600%	125,000	8,625	133,625
2025	4.475%	361,079	42,046	403,125	2025	4.600%	125,000	2,875	127,875
2026	4.600%	366,334	25,541	391,875	2026		-	-	-
2027	4.600%	372,067	8,558	380,625	2027		-	-	-
Dated Date: 11/9/06		Next Call: TBD		Dated Date: 11/10/04		Next Call: TBD			
Purpose: Schools		Insurance: N/A		Purpose: Schools		Insurance: N/A			
Coupon Dates: Jan 15/Jul 15		Maturity Date: Jul 15		Coupon Dates: Jan 15/Jul 15		Maturity Date: Jul 15			

DAVENPORT & COMPANY

December 15, 2015

Schools Debt



\$6,790,943 2006A VPSA					\$2,500,000 2004 VPSA				
FY	Coupon	Principal	Interest	Total	FY	Coupon	Principal	Interest	Total
Total		4,158,954	1,151,046	5,310,000	Total		1,250,000	288,828	1,538,828
2016	5.100%	323,446	180,929	504,375	2016	5.100%	125,000	56,344	181,344
2017	5.100%	328,829	164,296	493,125	2017	5.100%	125,000	49,969	174,969
2018	4.225%	332,998	148,877	481,875	2018	5.100%	125,000	43,594	168,594
2019	4.350%	336,093	134,532	470,625	2019	5.100%	125,000	37,219	162,219
2020	4.350%	339,538	119,837	459,375	2020	5.100%	125,000	30,844	155,844
2021	4.350%	343,136	104,989	448,125	2021	4.100%	125,000	25,094	150,094
2022	4.600%	347,338	89,537	436,875	2022	4.225%	125,000	19,891	144,891
2023	4.400%	351,817	73,808	425,625	2023	4.600%	125,000	14,375	139,375
2024	4.475%	356,279	58,096	414,375	2024	4.600%	125,000	8,625	133,625
2025	4.475%	361,079	42,046	403,125	2025	4.600%	125,000	2,875	127,875
2026	4.600%	366,334	25,541	391,875	2026		-	-	-
2027	4.600%	372,067	8,558	380,625	2027		-	-	-
Dated Date: 11/9/06		Next Call: TBD		Dated Date: 11/10/04		Next Call: TBD			
Purpose: Schools		Insurance: N/A		Purpose: Schools		Insurance: N/A			
Coupon Dates: Jan 15/Jul 15		Maturity Date: Jul 15		Coupon Dates: Jan 15/Jul 15		Maturity Date: Jul 15			

DAVENPORT & COMPANY

December 15, 2015

Schools Debt



\$3,400,000 2000 VPSA					\$6,285,526 2008 VPSA					\$3,603,071 BB&T 2013 Amendment to 2011 Refunding of 2007A (Windy Gap)									
	Coupon	Principal	Interest	Total		Coupon	Principal	Interest	Total		Coupon	Principal	Interest	Total					
Total		1,020,000	171,360	1,191,360	Total		2,121,814	330,685	2,452,499	Total		2,962,734	355,472	3,318,206					
2016	5.600%	170,000	52,360	222,360	2016	5.100%	337,263	99,612	436,875	2016	2.580%	334,238	76,439	410,676					
2017	5.600%	170,000	42,840	212,840	2017	5.100%	343,369	82,256	425,625	2017	2.580%	344,019	67,815	411,834					
2018	5.600%	170,000	33,320	203,320	2018	5.100%	349,194	64,581	414,375	2018	2.580%	353,989	58,940	412,928					
2019	5.600%	170,000	23,800	193,800	2019	5.100%	356,556	46,569	403,125	2019	2.580%	364,236	49,807	414,043					
2020	5.600%	170,000	14,280	184,280	2020	5.100%	363,672	28,203	391,875	2020	2.580%	374,850	40,409	415,259					
2021	5.600%	170,000	4,760	174,760	2021	5.100%	371,160	9,465	380,625	2021	2.580%	385,817	30,738	416,555					
2022	-	-	-	-	2022	-	-	-	-	2022	2.580%	397,025	20,784	417,809					
2023	-	-	-	-	2023	-	-	-	-	2023	2.580%	408,561	10,541	419,102					
2024	-	-	-	-	2024	-	-	-	-	2024	-	-	-	-					
2025	-	-	-	-	2025	-	-	-	-	2025	-	-	-	-					
2026	-	-	-	-	2026	-	-	-	-	2026	-	-	-	-					
2027	-	-	-	-	2027	-	-	-	-	2027	-	-	-	-					
Dated Date: 5/15/00					Next Call: TBD	Dated Date: 11/16/00					Next Call: TBD	Dated Date: 8/25/11					Next Call: TBD		
Purpose: Schools					Insurance: N/A	Purpose: Schools					Insurance: N/A	Purpose: Schools					Insurance: N/A		
Coupon Dates: Jan 15/Jul 15					Maturity Date: Jul 15	Coupon Dates: Jan 15/Jul 15					Maturity Date: Jul 15	Coupon Dates: Jan 15/Jul 15					Maturity Date: Jul 15		
															Note: Lender is BB&T.				

DAVENPORT & COMPANY

December 15, 2015

Franklin County, VA 34

IDA Debt



\$2,700,000 Phase I Water Project						\$3,129,300 220 Water Line						\$1,555,000 Water Line Burnt Chimney					
FY	Coupon	Principal	Interest	Total		FY	Coupon	Principal	Interest	Total		FY	Coupon	Principal	Interest	Total	
Total		799,759	81,079	880,838		Total		2,576,400	1,045,442	3,621,842		Total		1,468,535	294,928	1,763,464	
2016	153.435	30,079	183,513			2016	4.349%	122,550	120,605	243,155		2016	2.540%	88,661	37,301	125,962	
2017	156.626	23,629	180,256			2017	4.711%	128,250	115,275	243,525		2017	2.540%	90,913	35,049	125,962	
2018	159.884	17,046	176,930			2018	4.764%	133,950	109,233	243,183		2018	2.540%	93,222	32,140	125,962	
2019	163.210	10,326	173,535			2019	4.816%	139,650	102,852	242,502		2019	2.540%	95,590	30,372	125,962	
2020	166.604	-	166,604			2020	4.900%	145,350	96,126	241,476		2020	2.540%	98,018	27,944	125,962	
2021	-	-	-			2021	4.889%	153,900	89,004	242,904		2021	2.540%	100,508	25,454	125,962	
2022	-	-	-			2022	4.933%	159,600	81,480	241,080		2022	2.540%	103,060	22,901	125,962	
2023	-	-	-			2023	4.936%	168,150	73,607	241,757		2023	2.540%	105,678	20,284	125,962	
2024	-	-	-			2024	4.948%	176,700	65,307	242,007		2024	2.540%	108,362	17,599	125,962	
2025	-	-	-			2025	4.962%	185,250	56,563	241,813		2025	2.540%	111,115	14,847	125,962	
2026	-	-	-			2026	4.981%	193,800	47,371	241,171		2026	2.540%	113,937	12,025	125,962	
2027	-	-	-			2027	5.000%	202,350	37,718	240,068		2027	2.540%	116,831	9,131	125,962	
2028	-	-	-			2028	5.048%	210,900	27,601	238,501		2028	2.540%	119,799	6,163	125,962	
2029	-	-	-			2029	5.042%	222,300	16,955	239,255		2029	2.540%	122,842	3,120	125,962	
2030	-	-	-			2030	2.459%	233,700	5,746	239,446		2030	-	-	-	-	
Dated Date: 6/12/2009					Next Call: TBD	Dated Date: TBD					Next Call: TBD	Dated Date: TBD					Next Call: TBD
Purpose: Water					Insurance: N/A	Purpose: TBD					Insurance: TBD	Purpose: TBD					Insurance: TBD
Coupon Dates: Apr 1/Oct 1					Maturity Date: Oct 1	Coupon Dates: TBD					Maturity Date: TBD	Coupon Dates: TBD					Maturity Date: TBD

DAVENPORT & COMPANY

Note: IDA Debt excluded from Tax Supported Debt totals used in Debt Capacity and Debt Affordability analyses.

December 15, 2015

Franklin County, VA 35

Municipal Advisor Disclaimer



The enclosed information relates to an existing or potential municipal advisor engagement.

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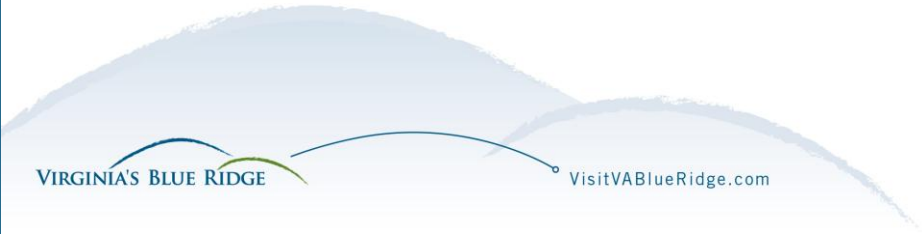
General Discussion ensued.

COUNTY ADMINISTRATOR'S OTHER MATTERS

TRANSIENT OCCUPANCY TAX DISCUSSION
Brent Robertson, County Administrator, shared with the Board Landon Howard, President of the Roanoke Valley Convention and Visitors Bureau, will make a brief presentation regarding efforts to enhance funding for regional tourism marketing. Specifically, Transient Lodging (Hotel/Motel) Tax will be discussed regarding opportunities to partner with other local governments to prepare for future investments in tourism.

**Roanoke Valley Convention
& Visitors Bureau**

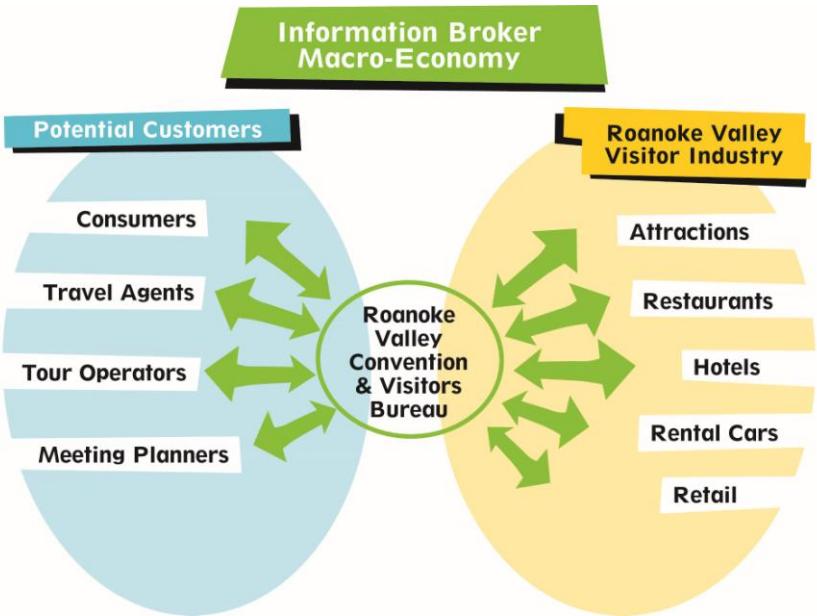
**Franklin County
Board of Supervisors**
December 15, 2015



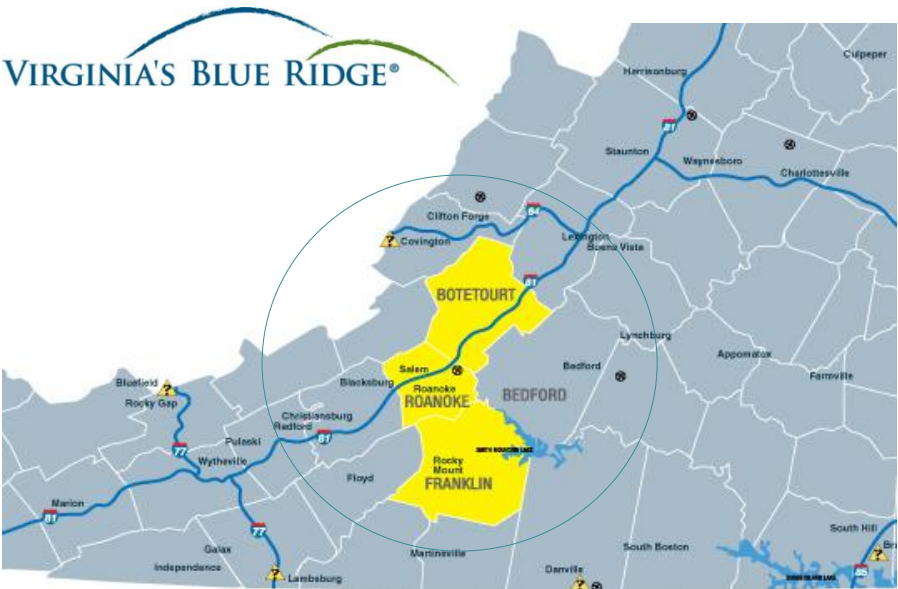
Develop, Market, & Manage



The region’s consumer brand!



The Roanoke Valley Convention & Visitors Bureau serves as an information broker for the Virginia's Blue Ridge region's macro-tourism economy representing and working with over 1,000 partners.



Tourism is **BIG Business!**



VIRGINIA'S BLUE RIDGE

VisitVABlueRidge.com

Roanoke Valley Convention & Visitors Bureau Budget

2010 - \$1.3 Million
to
2015 - \$3.1 Million



VIRGINIA'S BLUE RIDGE

VisitVABlueRidge.com

What are we doing with the money?

- Unique Website and Mobile Visitors:

2010/2011: 101,841

2014/2015: 595,417 **585% Increase**

- Unique Website and Mobile Visitors:

July – October 2015: 271,281

RECORD

2,200+ Average Visitors Per Day

- Opt-In Loyal Customers Database: 113,392

RECORD

What are we doing with the money?

Aggressive Public Relations Program

Media Coverage

Hosted **301** journalists **RECORD**

Total media coverage since 2010

Cumulative circulation – 622,647,611 **RECORD**

Advertising equivalency - \$5,916,465



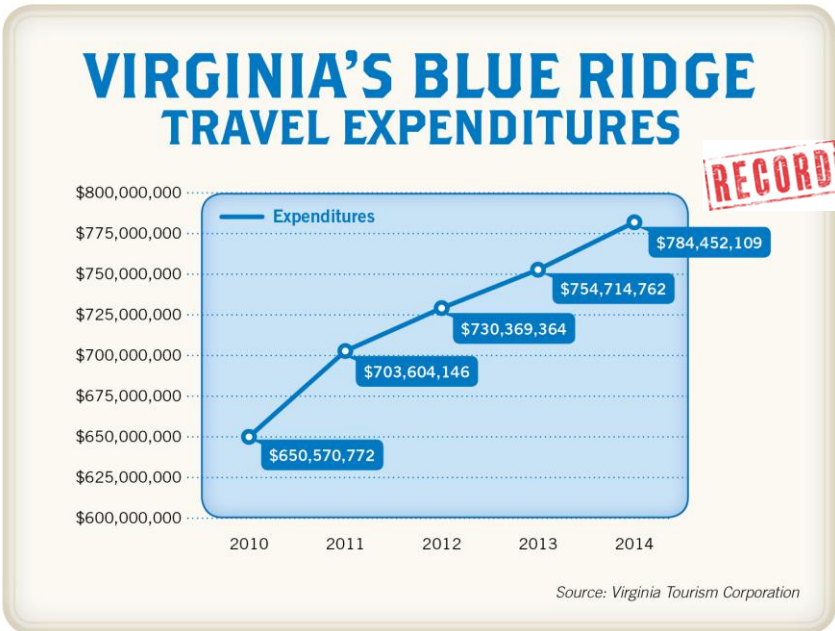
\$134 Million Expansion in 5 Years

2010 - 2014 **RECORD**

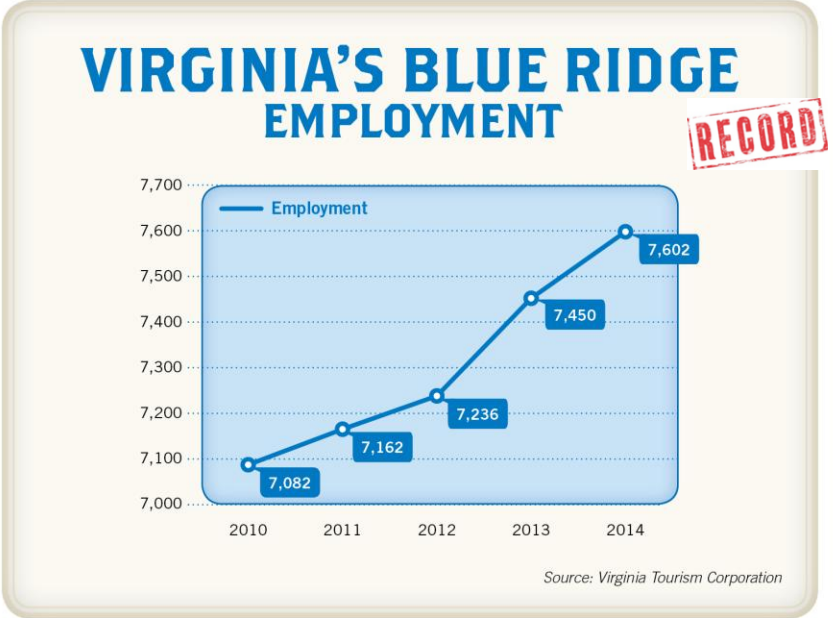
VIRGINIA'S BLUE RIDGE

VisitVABlueRidge.com

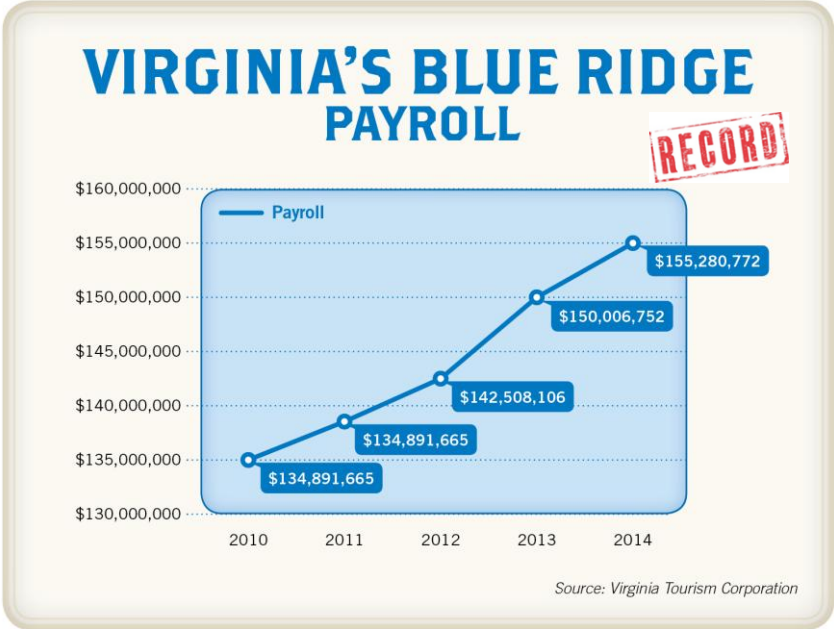
NEW Annual Spending - \$134 Million



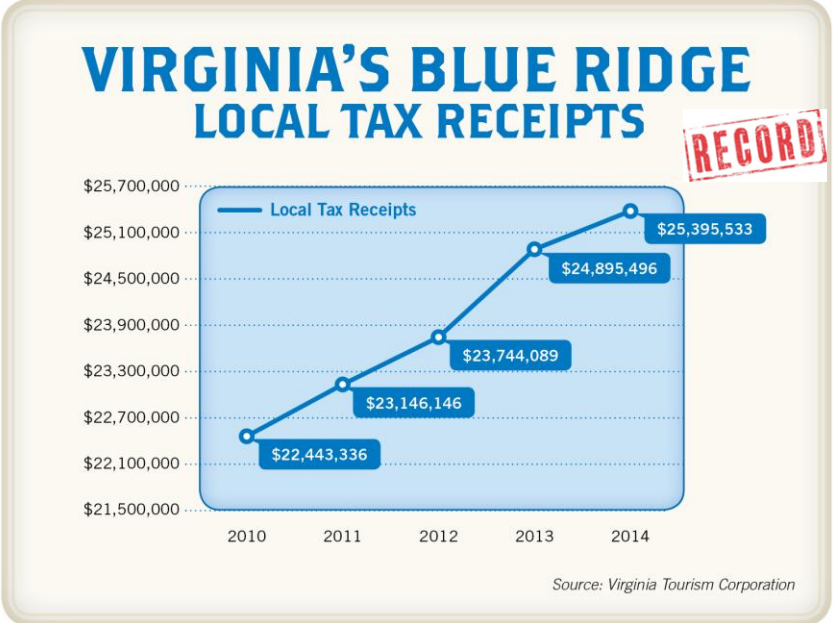
NEW Annual Jobs 520



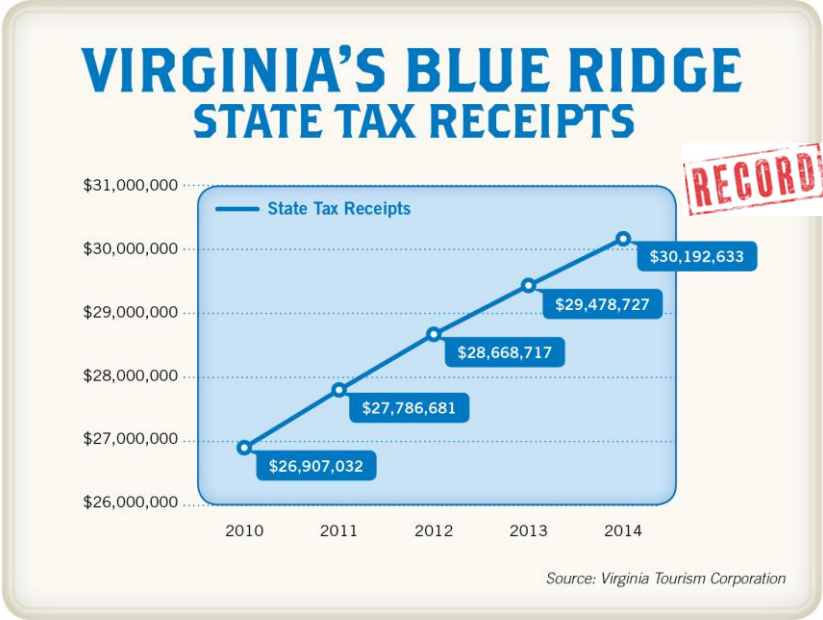
NEW Annual Payroll \$20.4 Million



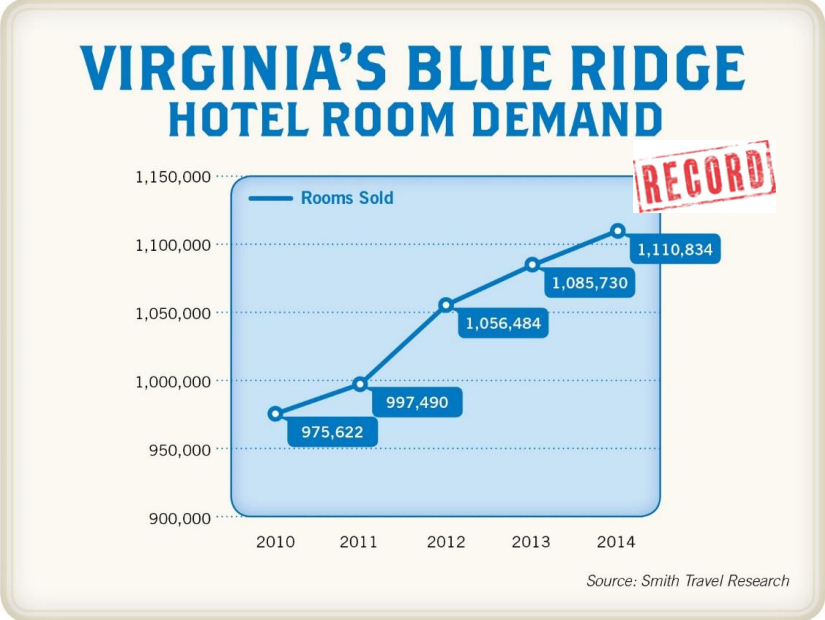
NEW Annual Local Taxes - \$2,952,197



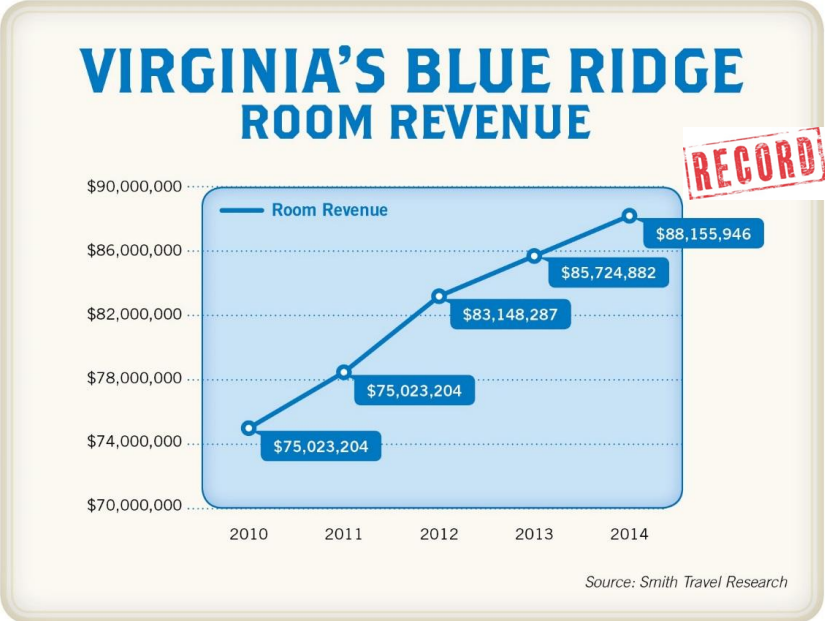
NEW Annual State Taxes - \$3,285,601



NEW Annual Rooms Sold – 135,212



NEW Annual Lodging Revenue – \$13,132,742



Virginia’s Blue Ridge

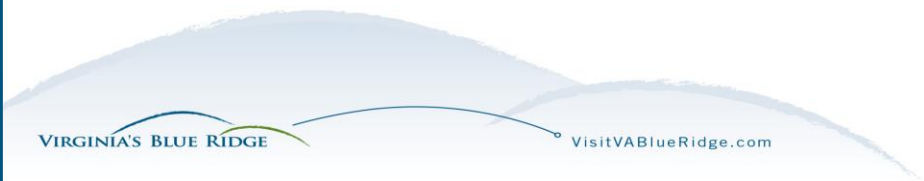
YTD October 2015
Source: Smith Travel Research

Room Demand
5.8%

RECORD

Room Revenue
9.6%

RECORD



Virginia’s Blue Ridge

RECORD

Partner/Membership = 1,063

*as of 11/30/15



Franklin County
96 Current Partners (as of 11/30/15)

VisitVABlueridge.com analytics:

- Individual business listing VIEWS
- CLICK-THRU’S to individual business websites

Business Listings (July 2015-November 30, 2015):

	Franklin County	Rocky Mount
o Website Views =	4,502	1,460
o Website Click Thrus =	2,890	815
	Totals= 7,392	2,275

- o Click Thru Rate (CTR)= over 30%

RECORD

Click Thru Rate is up over 20% from FY14-15 (July-Nov.)

Media Coverage Results

FY 2015-16

Circulation – 10,117,996

Advertising Equivalency – \$493,200

Hosted 33 journalists

Since the PR Initiative began in 2010

Circulation – 622,647,611

Advertising Equivalency – \$5,916,465



Public Relations

Dallas Morning News
September 4, 2015

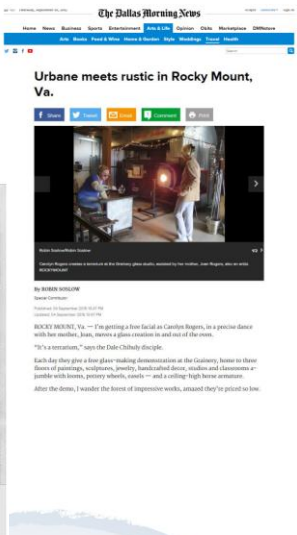
Urban meets rustic in Rocky Mount, Va.

By Robin Soslow

Online & print

Circulation – 705,122

Value - \$30,492



VIRGINIA'S BLUE RIDGE

VisitVABlueRidge.com

Public Relations



Circulation – 20,000

Advertising Equivalency - \$7,075

We received the cover and 6 full pages of editorial during Virginia Craft Beer Month.

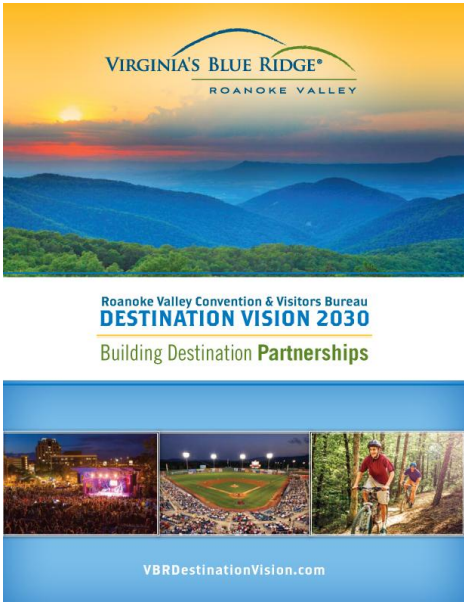
VIRGINIA'S BLUE RIDGE

VisitVABlueRidge.com

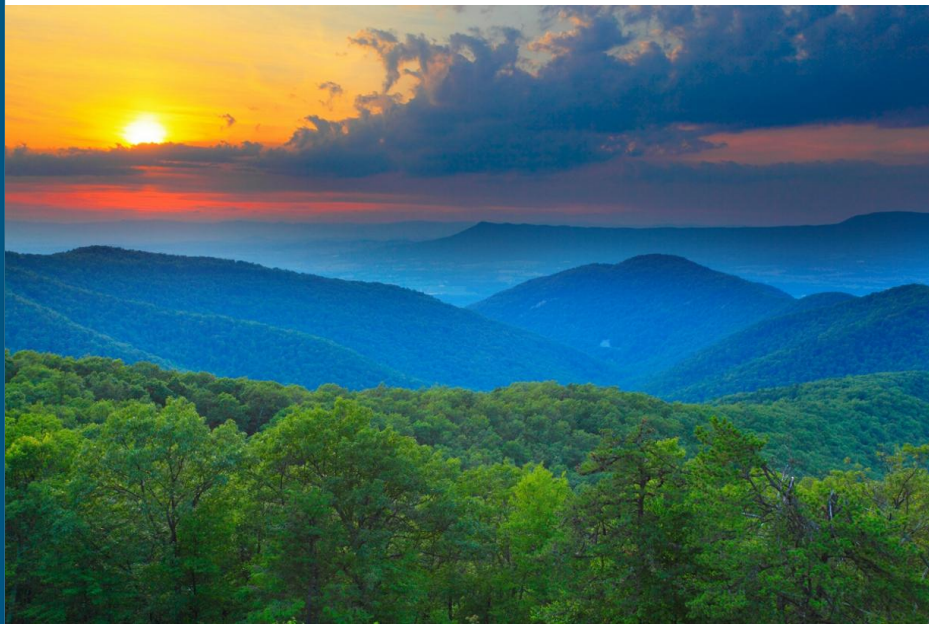
Franklin County
Room Tax Collections

<u>Current Funding:</u>		
FY2014/15 Total Collections (5%)	\$	87,547
Collections For Every 1%	\$	17,509
Current FY2015/16 RVCVB Funding	\$	36,652
<u>Future Funding Options:</u>		
Lodging Tax Increase To 7%	\$	122,565
Lodging Tax Increase To 8%	\$	140,075
FY2016/17 Dedicate 2% To RVCVB	\$	35,018
FY2016/17 RVCVB Projected Budget	\$	3,100,000

Destination Vision Plan 2030



Tourism is Economic Development's “First Date”



General discussion ensued.

The Board felt the County needed to Market Tourism with a higher level.

(RESOLUTION #04-12-2015)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to authorize staff to support the Roanoke Valley Convention & Business Bureau, Botetourt County and others in lobbying the General Assembly to provide for Franklin County and other regional localities to increase its Transient Occupancy Tax to 8% (2% increase of the current allowable) should they so choose.

MOTION BY: Bob Camicia

SECONDED BY: Charles Wagner

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

INTERMODAL PLANNING & INVESTMENT ANNOUNCES DESIGNATED GROWTH AREA GRANT ASSISTANCE PROGRAM

Steven Sandy, Director of Planning & Community Development advised the Board that the Officer of Intermodal Planning and Investment (OIPi) launched a technical assistance program last winter to provide support for localities interested in designating growth areas in their comprehensive plans per the current Urban Development Area (UDA) legislation (15.2-2223.1). OIPi has awarded 10 grants, and now has a total UDA count of 172 UDA's adding or identifying 10 since the fall 2014 estimate of 72.

In response to continued interest in the program, the office is re-opening the program and is accepting applications for this direct on-call assistance until August 31, 2016.

The Office encourages localities to assess if they have any UDA or UDA-like designated growth areas, or would to include any, in their comprehensive plans, And if so, to consider using the assistance program to help add or update their designated growth areas and/or add the UDA code reference to maximize future funding opportunities through the HB2 process.

As noted, the Urban Development Area Planning Grant Application may be obtained at www.vtrans2040.com.

The Board concurred with the County making application for the Urban Development Area Planning Grant.

PRESS RELEASE/CAHAS BREWERY EXPANSION

Mike Burnette, Economic Development Director, shared with the Board less than two years after announcing its new location in Franklin County, Chaos Mountain Brewing is already expanding. Rising sales have created the need to invest in new equipment at the facility and to hire additional staff to handle the extra production. The craft brewery, one of three in Franklin County along with two distilleries and a winery, is located on Dillon’s Mill Road in the Callaway community. Its exceptional products have secured Chaos Mountain’s standing as one of the best and fastest growing breweries in Virginia.

The expansion will include a new investment of at least \$597,000 and the hiring of nine additional employees. “Since we opened in May of 2014, we have grown more than we anticipated. We are about a year ahead of where we planned to be,” said owner Joe Hallock.

“At present we distribute from Richmond north and west to West Virginia and our products can be found in stores from Wegmans in Loudon County to Food City in Pulaski. We plan to be shipping to all of Virginia by the end of 2016.” Mr. Hallock added that “the rapid growth has allowed us to expand our year round product line to include six beers packaged in twelve ounce bottles, a mixed twelve pack and three seasonal beers. We continue to produce limited release beers on draft for distribution to restaurants and for sale in our tasting room.”

With all of this growth comes the need for new equipment and new personnel. Chaos is working with AppTech Solutions of Salem to design a self contained waste water treatment system to handle the waste water from brewing. “We will also be doubling the number of kegs we have for distribution. As we brew, package and keg more often we will need additional staff in the brewery and will be looking to add a sales representative to work out in the market,” said Hallock.

The Franklin County Board of Supervisors provided financial assistance to the project. The County worked to help this existing business address its issues related to production and to assist it in expanding within the community. Board Chairman Cline Brubaker stated, “We are proud to have a company like Chaos Mountain Brewing here in Franklin County. A major reason that businesses thrive in our community is our commitment to their success and our willingness to help them overcome hurdles. When you have great companies like Chaos Mountain, teaming up with a pro-business community like Franklin County, special things can happen.” Mr. Hallock said that “Franklin County has worked closely with us since the planning phase of the brewery. We appreciate all of the help Mike Burnette, Franklin County Economic Development Director; Chairman Brubaker; and the entire Board of Supervisors have given us. We are proud to be able to bring a new business and new jobs to the county and look forward to continued growth.” The company is also eligible for funding and services to support the company's employee training activities through the Virginia Jobs Investment Program, administered by the Virginia Economic Development Partnership.

It is expected that the expansion project, including the investment and the hiring of the new employees will be completed over the next twenty-four months.

Brent thanked the Board for their attendance during the Planning Retreat held on December 2 & 3, 2015.

CABLE 12/DIGITAL UPGRADE

Andrea' Perry, Cable 12, thanked the Board and the staff for all of their contributions in helping to bring Friends of Channel 12 into the digital era. Mr. Perry complimented all for their assistance and many kind acts with completing the PEG (Public, Education, Government) grant initiative.

OTHER MATTERS BY SUPERVISORS

MOUNTAIN VALLEY PIPELINE PUBLIC HEARING
(RESOLUTION #05-12-2015)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to authorize staff to advertise for public hearing for the Mountain Valley Pipeline to be held on Tuesday, January 19, 2015 at 6:00 p.m..

MOTION BY: Bobby Thompson
 SECONDED BY: Cline Brubaker
 VOTING ON THE MOTION WAS AS FOLLOWS:
 AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

WEST LAKE VILLAGE PLAN MEETING

Bob Camicia, Gills Creek District, stated an advisory committee was finishing up the Westlake Village Plan and would hold a meeting for the public on January 27, 2016 at the Trinity Ecumenical Parish.

SNOW CREEK PARK WALKING TRAIL/UPGRADE REQUEST

Leland Mitchell, Snow Creek District Supervisor, requested the Board to consider during the budget process the upgrade of the Snow Creek Park walking trail for the community to utilize.

WESTERN VIRGINIA REGIONAL JAIL ALTERNATE
(RESOLUTION #06-12-2015)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to appoint Ronnie Thompson to serve as an alternate to Charles Wagner on the Western Virginia Regional Jail Board with said term to expire December 31, 2016.

MOTION BY: Charles Wagner
 SECONDED BY: Leland Mitchell
 VOTING ON THE MOTION WAS AS FOLLOWS:
 AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

MOUNTAIN VALLEY PIPELINE/FOIA REQUEST

Ronnie Thompson, Boone District Supervisor, requested the County Administrator and staff to address the MVP FOIA Request and to post on the County's web page for the citizens to read and know the County Board has not ignored their request.

Steve Thomas, Director of Information Technology, briefed the Board on the original FOIA request made to the County regarding the MVP. Mr. Thomas explained the massive data being requested and the cost associated with the request. After talking with the individual, staff has been able to narrow down the request and believes they come to a closer 15 hours in labor and about \$400-\$500 total.

CLOSED MEETING
(RESOLUTION #07-12-2015)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to into a closed meeting in accordance with 2.2-3711, a-1, Personnel & a-3, Acquisition of Land, of the Code of Virginia, as amended.

MOTION BY: Ronnie Thompson
 SECONDED BY: Bob Camicia
 VOTING ON THE MOTION WAS AS FOLLOWS:
 AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

MOTION: Ronnie Thompson **RESOLUTION: #08-12-2015**
 SECOND: Charles Wagner **MEETING DATE December 15, 2015**

WHEREAS, the Franklin County Board of Supervisors has convened an closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act: and

WHEREAS, Section 2.2-3712(d) of the Code of Virginia requires a certification by this Franklin County Board of Supervisors that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the Franklin County Board of Supervisors hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Franklin County Board of Supervisors.

VOTE:
AYES: Mitchell, Thompson, Wagner, Reynolds Camicia, Thompson & Brubaker
NAYS: NONE
ABSENT DURING VOTE: NONE
ABSENT DURING MEETING: NONE

<u>APPOINTMENTS:</u> COMMITTEE	NAME A	ADDRESS	DISTRICT	YEAR	TERM EXPIRES
AG BOARD	Daniel Austin	5688 Old Forge Road Rocky Mount, VA 24151	Crops	OPEN	12/15/2015
AG BOARD	Lynn Satalino	220 Mallard Point Road Wirtz, Va 24184	Equine	OPEN	12/15/2015
AG BOARD	Connell McEnheimer	4999 Sontag Road Rocky Mount, VA 24151	Tobacco	OPEN	12/15/2015
AG BOARD	Davis Torrence	2801 McNeil Mill Road Rocky Mount, VA 24151	Cattle	2-Year	12/15/2017
F. C. IDA	George McCall	1829 Deepwoods Road Hardy, Virginia 24101	Boone	4-Year	11/18/2015
F. C. IDA	Peter Coriasco	180 Windmere Trail Moneta, VA 24121	Gills Creek	4-Year	11/18/2015
WEST PIEDMONT PLANNING COMMISSION BOARD	Bobby Thompson	Post Office Box 40 Ferrum, VA 24088	BOS Rep	1-Year	12/31/2015
TLAC	Robert Camicia	143 Charlotte Lane Hardy, VA 24101	BOS Rep	1-Year	1/31/2016
TLAC	Kristina Mize	499 Periwinkle Road Moneta, VA 24121	Citizen	1-Year	1/31/2016

AG BOARD/ APPOINTMENTS
(RESOLUTION #09-12-2015)
BE IT THEREFORE RESOLVED, by the Board of Supervisors to appoint Connell McEnheimer, Tobacco and David Torrence, Cattle to the Agriculture Board with said terms to expire December 15, 2017.
MOTION BY: Leland Mitchell
SECONDED BY: Ronnie Thompson
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

(RESOLUTION #10-12-2015)
BE IT THEREFORE RESOLVED, by the Board of Supervisors to re-appoint George McCall to the Industrial Development Authority to represent the Boone District and Peter Coriasco to represent the Gills Creek District with said terms to expire on November 18, 2019.
MOTION BY: Ronnie Thompson
SECONDED BY: Charles Wagner
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

OPTIONS TO PURCHASE SINK and FIKE PROPERTIES
(RESOLUTION #11-12-2015)
BE IT THEREFORE RESOLVED, by the Board of Supervisors to enter into Right to Purchase agreements with Ronald and Janice Sink and, separately, Herschel and Shirley Fike for their properties adjacent to the land recently purchased from Southway Farm LLC. These properties are anticipated to be used for the creation of a new business park for the County. Furthermore, the motion stated that the two Right to Purchase agreements run until June 15, 2016 and allow the County to purchase approximately 104 acres from the Fike's for \$2,072,078 (final price to be determined based on the per acre price and a survey to be completed by Franklin County) and approximately 86.5 acres from the Sink's for a lump sum of \$1,697,201.
MOTION BY: Bob Camicia
SECONDED BY: Ronnie Thompson
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Mitchell, Thompson, Wagner, Camicia, Thompson & Brubaker
NAYS: Reynolds

Chairman Cline Brubaker, recessed the meeting for dinner.

Chairman Brubaker called the meeting to order.

Chairman Brubaker recessed the meeting for the previously advertise public hearings as follows:

PUBLIC NOTICE

In accordance with the provisions of Section 15.2-1800 of the Code of Virginia, as amended, notice is hereby given to all interested parties that the Franklin County Board of Supervisors will hold a public hearing at approximately **6:00 P.M., on Tuesday, December 15, 2015**, in the Board of Supervisor's Meeting Room located in the Franklin County Government Center, 1255 Franklin Street, Suite 104, Rocky Mount, Virginia to consider a lease arrangement for a period of up to two (2) years for agricultural purposes on approximately eighty-four (84) acres of land located at the corner of Six Mile Post Road (Route 640) and Waid Park Road (Route 800) in the Blackwater Magisterial District. This land is adjacent to the premises of Waid Park.

Paul Chapman, Director of Parks & Recreation, stated since 2001, the Franklin County Board of Supervisors has contracted with local farmers to lease certain areas of the Waid Recreation Area for agricultural purposes. Generally, these leases have been done on a two-year basis with farmers bidding for the leasing of specific areas. Bidders typically submit information regarding the proposer's name, address and phone, what the land would be used for, lease fees proposed and/or improvements to be made, and any other considerations the proposer wishes to be considered. Leases that were previously approved are set to expire in December 2015.

For the current cycle, Franklin County has leased out eleven tracts totaling approximately eighty-four acres of farmable land. The county receives approximately \$2,781 annually from these leases. Staff has been pleased with the utilization of this unused property, and staff encourages the continuing of this program. Last month the Board granted permission for staff to solicit bids for agricultural leases for a period to commence in January 2016 and conclude in December 2018. Advertisements for bids were properly listed and posted accordingly. Bids were received, whereby the highest bidders that were awarded the leases during the last bidding cycle are also the highest bidders this year. If approved, such bidders will be returning to the same tracts.

Below are the field descriptions, acreage and lease rates proposed by the farmers. (**Upland** represents land away from the water and **bottomland** represents land next to the water.)

<u>Field #</u>	<u>Acreage</u>	<u>Type</u>	<u>Existing Lease Rate</u>	<u>Proposed Lease Rate</u>	<u>Farmer</u>
1,2,3	26.7	Upland	\$28.00/acre = \$747.60	\$30/acre = \$801.00	Donald Bowman
4,6,8	23	Bottom Land	\$48.00/acre = \$1,104.00	\$46/acre = \$1,058.00	Donald Bowman
5	11	Upland	\$40.00/acre = \$440.00	\$40/acre = \$440.00	Oaks Dairy Farm
7	1.8	Bottom Land	\$48.00/acre = \$86.40	*no bids received	n/a
9, 10	16	Upland	\$20.00/acre = \$320.00	\$20/acre = \$320.00	Emery Bowman
11	5.5	Bottom Land	\$40.00/acre = \$220.00	\$40/acre = \$220.00	Emery Bowman
Proposed Yearly Total for Lease Lands				\$2,839.90	

*Please note that no bid was placed for field #7. Access to this field has become difficult as it requires fording the Pigg River. Because of this, no farming has occurred on this field for the last few seasons and no bid was placed. Parks and Recreation staff will monitor this area to determine if other management practices are needed in the absence of farming.

RECOMMENDATION:

Staff respectfully recommends that the Board of Supervisors award the field leases to the farmers listed above for a period to commence in January 2016 and conclude in December 2018.

Public Hearing was opened.

No one spoke for or against the proposed lease of property.

Public Hearing was closed.

(RESOLUTION #12-12-2015)

BE IT THEREFORE RESOLVED, by the Board of Supervisors to approve the aforementioned bids received for the lease arrangement for a period of up to two (2) years for agricultural purposes on approximately eight-four (84) acres of land located at the corner of Six-Mill Post Road (Road 640) and Waid Park Road (Route 800) in the Blackwater Magisterial District.

MOTION BY: Bob Camicia
SECONDED BY: C. B. Reynolds
VOTING ON THE MOTION WAS AS FOLLOWS:
AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

PETITION OF SPECIAL USE - Petition of Julie L. Phelps, Petitioner/Owner requesting a Special Use Permit for "Recreational Facilities (Private), Summer Camp, Campground (Private), and Motels, Hotels, Tourist and Resort Facilities" for a +/- 185 acre parcels of land, located on 5076 Edwardsville Road in the Boone District of Franklin County, and further identified by Franklin County Real Estate records as Tax Map/Parcel #0110003302, 0110003300, 0110000302b, 0110003100 (Case # SPEC-5-15-14332)(Public Hearing was opened.

Steven Sandy, Director of Planning & Community Development shared with the Board the following PowerPoint presentation and report pertaining to the requested Special Use Permit:

CASE # SPEC-4-15-14745
REQUEST:

Petition of **Julie L. Phelps, Petitioner/Owner** requesting a Special Use Permit for "Recreational Facilities (Private), Summer Camp, Campground (Private), and Motels, Hotels, Tourist and Resort Facilities" for a +/- 185 acre parcels of land, located on 5076 Edwardsville Road in the Boone District of Franklin County, and further identified by Franklin County Real Estate records as Tax Map/Parcel #0110003302, 0110003300, 0110000302b, 0110003100. The subject property is zoned A-1, Agricultural District, which allows a maximum residential density of 1.25 dwelling units per acre. The Future Land Use Map of the Franklin County Comprehensive Plan identifies this area as appropriate for Agriculture Forestry/Rural Residential uses, with an anticipated residential density of one to two dwelling units per acre. The subject property currently has a residential density of approximately 0.01 dwelling units per acre. This petition would result in the location of twenty-four (24) additional cabins and forty (40) Hogan camping locations, with a resulting residential density of 0.36 dwelling units per acre. (Case # SPEC-9-15-14332)

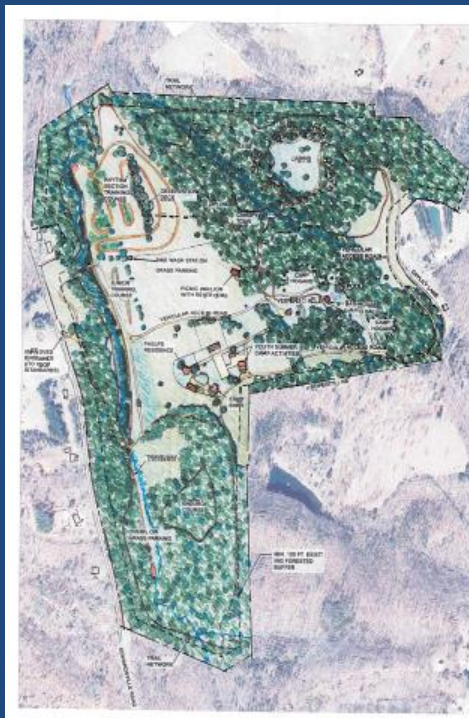


Special Use Permit Uses

- Recreation Facilities (Private)
- Summer Camp
- Campground (Private)
- Motels, Hotels, Tourist and Resort Facilities

The petitioner requests a Special Use Permit for “Recreational facilities (private)”, “Summer Camp”, “Campground (Private)”, and “Motels, Hotels, Tourist and Resort Facilities” for the 185+/- acre property surrounding the applicant’s home on Edwardsville Road in Boone District. There are a number of structures on the property; the Phelps’s home, barns and one existing cabin. Julie Phelps’s has been involved with motocross activities as her children have grown up and would like to offer a place for others to practice and train on her property. The use is classified as “Recreational facilities (private)” since she would be providing facilities related directly to outdoor recreation for motocross training and practice. She would also like to conduct a ministry summer camp for youth that could be expanded over time to include an adult retreat ministry. This proposal entails uses classified as “Summer Camp”, “Campground” and “Motels, Hotels, Tourist and Resort Facilities”. The camp facilities for youth summer camp would operate primarily during summer months however, the adult retreat ministry would provide meeting areas, teaching and counseling that would be conducted over weekends or periods of several days, involving overnight stays. The facility would offer outdoor amenities to be used in conjunction with the counseling services including walking trails, zip lines and natural areas.

Revised Concept Plan 10/30/2015



Concerns Raised

- Density/Intensity of Use(s)
- Water Supply and Sewage Disposal
- Erosion and Sediment Control and Stormwater
- Public Safety
- Noise
- Access/Traffic
- Property Values

At the Planning Commission meeting on October 13, 2015, the members voted to table the Phelps Special Use Permit request until the November 10, 2015 meeting. The purpose of tabling the request was twofold; 1. allow members additional time to review information submitted at the meeting and, 2. give staff time to work with applicant/agent on conditions related to noise, buffers and RV camping.

The conditions have been revised in three major areas as follows:

- Condition #4 has been revised to set a new number of allowable riders on the track based on a Housing & Urban Development (HUD) noise standard and also requiring the applicant to apply for a temporary event permit if occasional need arose for a special event that may generate more riders temporarily. The applicant has contracted with an acoustic professional from Wisconsin who will come to the site on November 9, 2015, and take sound readings. This professional is expected to provide a written report of his findings and present information to the Planning Commission at the meeting on November 10, 2015.
- Condition #4 has also been modified to ensure no trails are located within one hundred (100) feet of a property line. In addition, the applicant will provide supplemental plantings and earthen berms to help mitigate noise.
- Condition #10 has been amended to allow RV camping but only if the applicant has a plan that has been approved in accordance with Section 25-155.

Recommendation:

The Planning Commission held a public hearing on October 13, 2015 and tabled the matter until November 10, 2015 to allow staff and the applicant time to review conditions related to noise, buffers and RV camping. At their meeting on November 10th, Planning Commission voted (4-2-1) to recommend that the Board of Supervisors deny this request for Special Use Permit.

Staff has offered the following draft conditions for consideration by the Board if they choose to approve the request for special use permit.

1. Substantial conformity. The property shall be developed in substantial conformity with the conceptual plan dated 10/28/2015, entitled "Phelps Farm," and narrative, entitled "Phelps Farm Narrative for Special Use Permit", consisting of pages 1-4, prepared by Hill Studio.
2. Limitation of Use. The use of "Recreational Facilities (private)", "Summer Camp", "Campground (Private)", and "Motels, Hotels, Tourist and Resort Facilities" shall be limited to a recreational motocross practice/training facility (no racing) and associated facilities, private campground with cabins for youth summer camp and associated facilities, tourist facility for adult retreats consisting of a campground and ten (10) self-contained cabins for overnight and/or short-term lodging and associated facilities, including walking trails and outdoor activity areas in conformance with conceptual plan and narrative referenced in #1 above.
3. Buffering. The use of "Recreational facilities (private)", "Summer Camp", "Campground (Private)" and "Motels, Hotels, Tourist and Resort Facilities" shall require the perpetual maintenance of the existing wooded buffer along the exterior perimeter property line of all parcels as shown on the Conceptual Plan dated 10/28/2015, and shall measure a minimum of not less than one hundred feet (100') in depth, as measured perpendicular to the property line. Removal of dead or diseased trees shall be permitted. No trail shall be located within the 100-foot buffer.
4. Noise:
 - a) No motocross racing shall be permitted on the subject property.
 - b) All bikes using the property shall have proper mufflers or other silencers to reduce noise impacts on adjoining properties.
 - c) No more than 230 motocross bikes shall be allowed to practice/train on the trails and motocross track at one time to maintain acceptable noise standards. The number of allowable motorcycles is determined by an acoustic professional based on the Housing and Urban Development (HUD) recommended acceptable sound level of 65 dBA Leq for residential areas as established in the Environmental Standards and Criteria set forth in Title 24 Code of Federal Regulation, Part 51. A temporary event permit shall be applied for by property owner and approved by the Franklin County Zoning Administrator in accordance with Franklin County Zoning Section 25-134 (defining the event type, duration, attendance expectations, parking, traffic control, and sanitation and safety provisions) for an occasional increase in the number of allowable motocross bikes.

Noise: Cont'd

- d) Hours of operation for the recreation facility, private shall be limited to 10am-5pm. In addition, use of the recreation facility, private and summer camp shall not occur concurrently. However, motocross training shall be permitted as an activity during the youth summer camp.
- e) No trails shall be located closer than 100 feet to the property line. New trails on sloping topography shall be sited such that they are below natural grade to assist in suppressing sound levels from the motocross bikes.
- f) The motocross training track shall be designed to include supplemental plantings and earthen berms in accommodating track curves to assist in absorbing noise and in managing storm water runoff. These provisions shall be designed during development of the grading plan, and approved by the Zoning Administrator as part of site development review.

5. Compliance with State Regulations:
 - All overnight use of the property and public gatherings shall be approved by the Virginia Department of Health to ensure compliance with respect to water supply, waste disposal and food service and preparation.
 - The existing entrance on Edwardsville Road (Rte. 635) shall be improved to meet VDOT standards and requirements prior to any use authorized by this special use permit.
 - No gasoline or oil products shall be stored on the subject property without the approval of VA Department of Environmental Quality and/or Franklin Building Official.
 - Each phase of development shall have an approved development plan detailing all land disturbing activities and storm water management.
6. Operations Manuals: The property owner shall develop an emergency operations manual for the property that details protocols for fires, bodily injuries, theft, special events and hazardous material incidents on the subject property. The property owner shall also develop a manual defining rules and regulations concerning the uses approved under this special use permit. For example, rules for use of the motocross facility (age, noise, hours restrictions, safety equipment required, etc.) shall be stated therein. Both manuals shall be submitted to the Zoning Administrator before commencing uses defined herein. The manual shall be amended as uses begin or are expanded.
7. Trash/Litter: All trash generated on the subject property shall be properly contained and secured on site until it can be picked up by licensed trash hauler or properly disposed at appropriate facility.
8. Access to the property from Daylilly Lane (private) shall be limited to private use by the property owner, service vehicles for the summer camp activities and emergency vehicles. This entrance shall be gated to limit use from public.
9. Sports-type lighting of the recreation facility, private shall not be allowed. Dusk to dawn lighting for security shall be permitted.
10. RV camping shall be allowed on the subject property in accordance with Franklin County Zoning Section 25-155, Campgrounds and Recreational Vehicle/Camper Areas.

Julie Phelps, Petitioner shared with the Board her Special Use Permit Use requests and urged the Board for their support.

David Hill and Evie Sloan, Hill Studio, representing the applicant shared with the Board the Master Plan as follows:



Phelps Farm
Master Plan

Phelps Farm Master Plan

Special Use Permit

“Recreational Use – Private
+ Summer Camp, Campground, Tourist Facilities”

5076 Edwardsville Road
Boone District



PHELPS FARM
Owner: Julie Phelps
5076 Edwardsville Road
Hardy, VA 24101
October 28, 2015

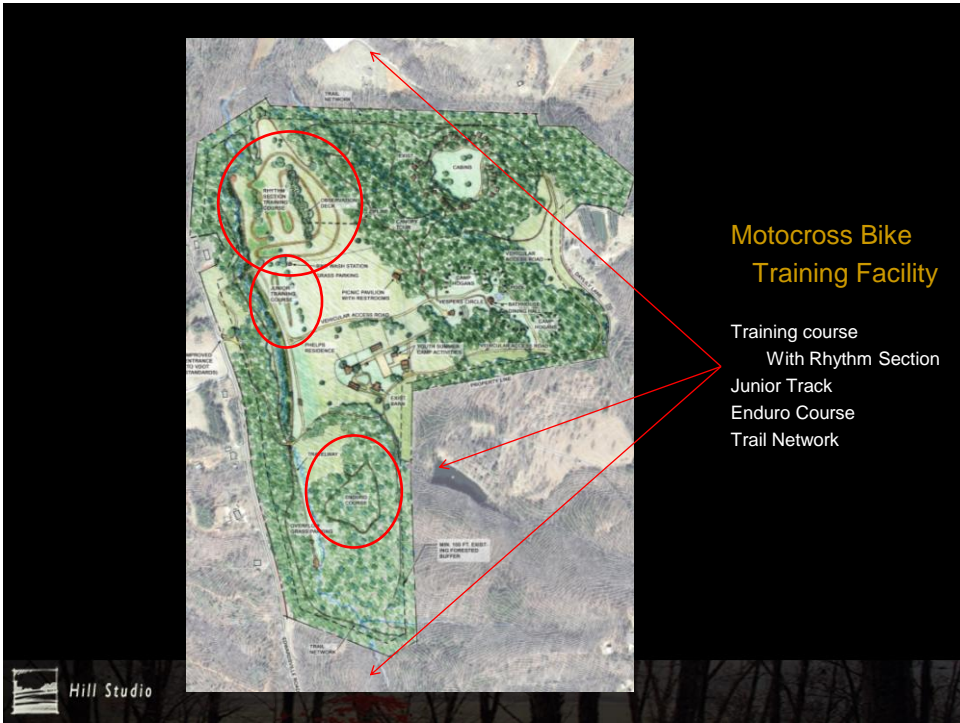
Tax Parcels	
0110003028	43.23 ac
0110003100	33.70 ac
0110003302	103.00 ac
0110003300	5.00 ac



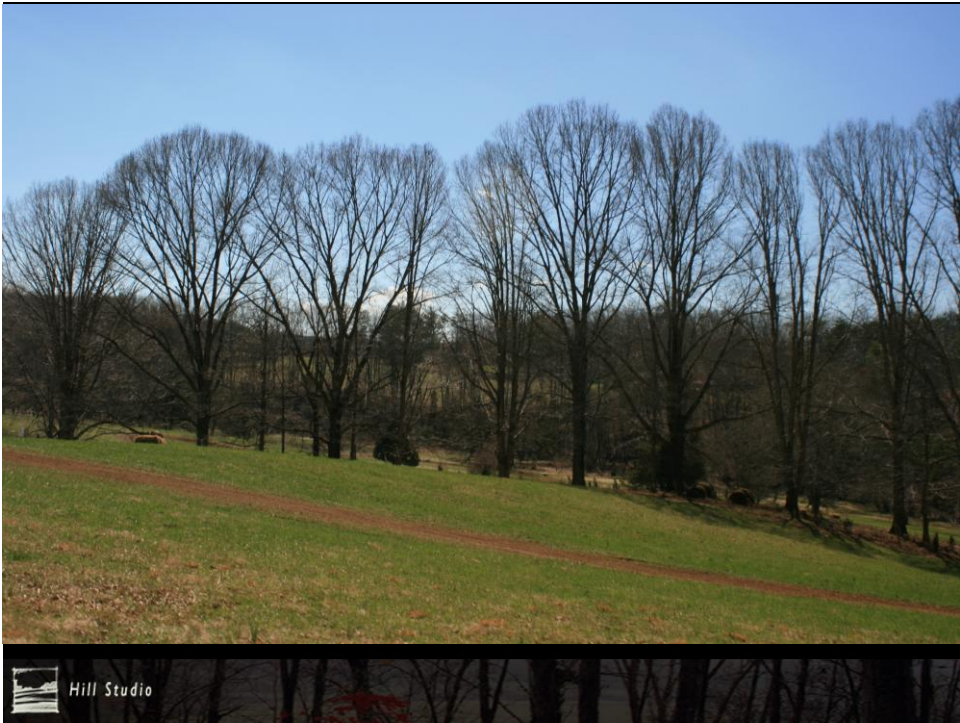
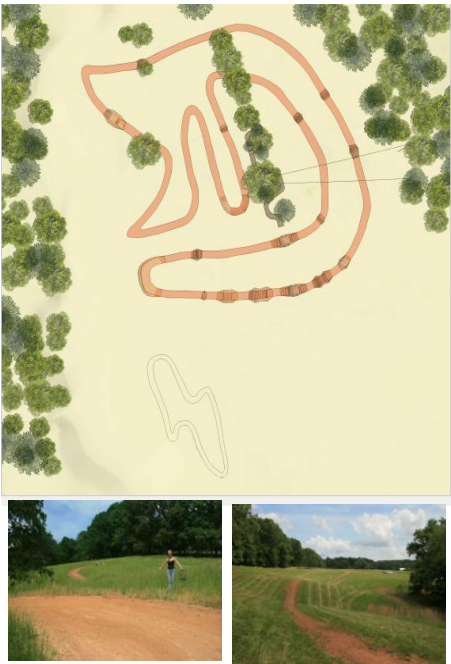
Master Plan

Motocross Bike
Training Facility
Retreat Cabins
Summer Camp

*Facilities would be developed in
phases over many years depending
on economic and infrastructure needs.*



PHELPS FARM Training Track

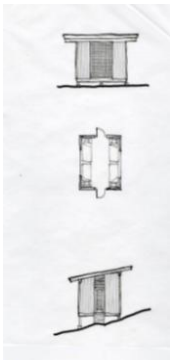




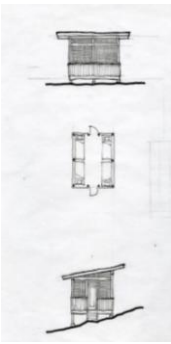
Summer Camp Facility

- Picnic Pavilion
- Bathhouse & Pool
- Hogans
- Summer Camp Activities
- Phelps Residence



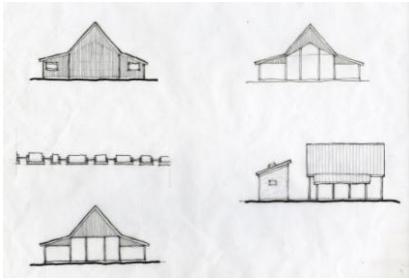


Hogan - 1

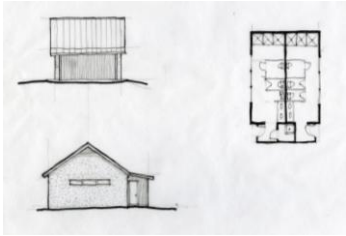


Hogan - 2

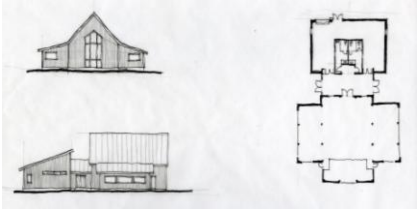
PHELPS FARM BUILDINGS



Picnic pavilion studies

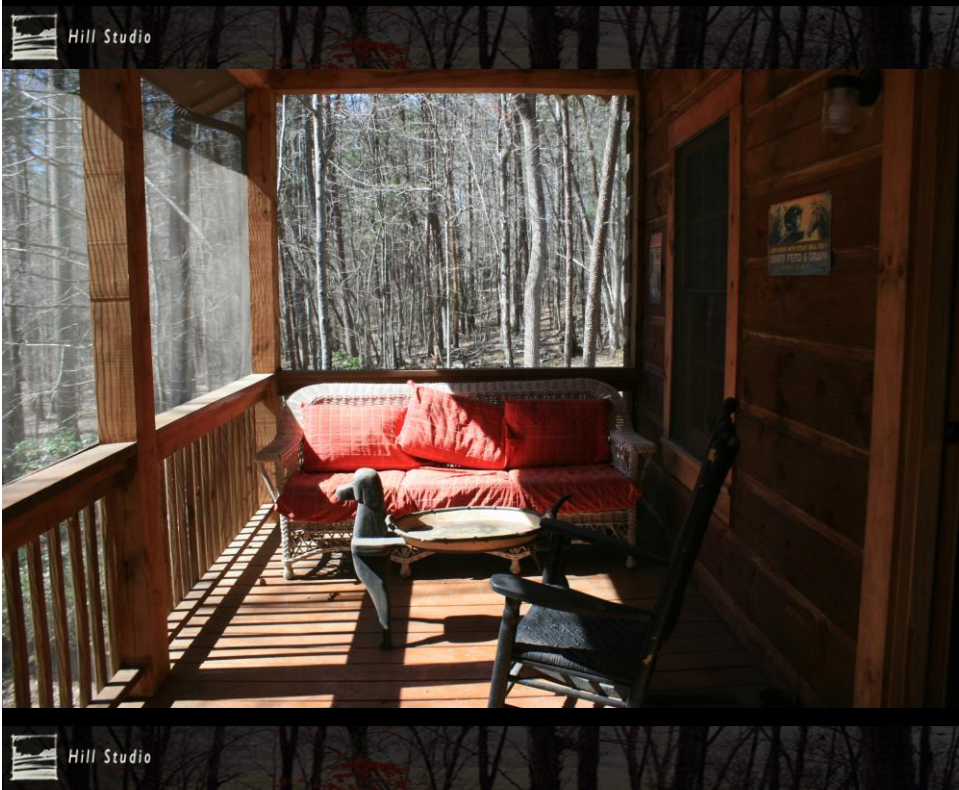
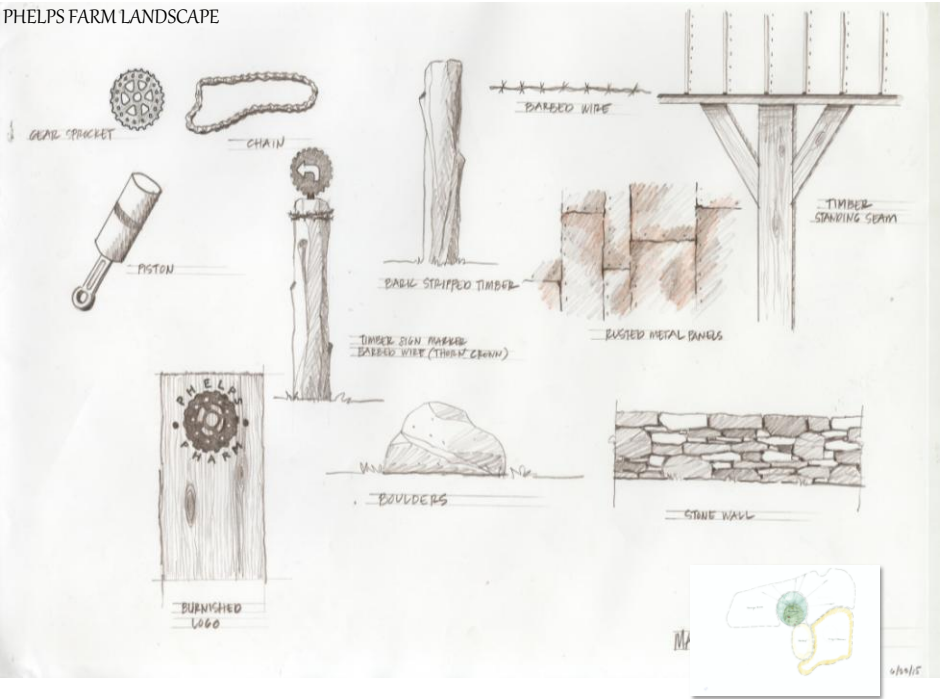


Restroom building



Dining hall studies

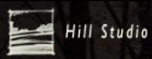
PHELPS FARM LANDSCAPE



Next Steps

Other Permits Required:

1. Water – Virginia Department of Health
2. Septic - Virginia Department of Health
3. Roadway Entrance – VDOT
4. Land Disturbance & Building Permits
Franklin County



Evie Sloan, Executive Director, Planning Department, Hill Studio, stated many of the comments/letters shared with the Board does not pertain to the current petitioner's request. Ms. Sloan shared with the Board the following Special Use Considerations:

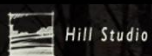
Special Use Considerations:

Comprehensive Plan
Zoning District
Effect on Neighboring Properties
Recommended Conditions



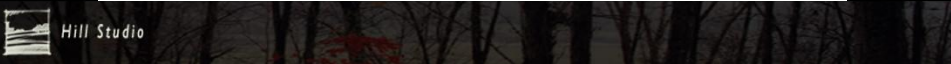
Comprehensive Plan

1. Maintains rural, agricultural presence and keeps family farm
2. Maintains vegetation and forested land
3. Provides alternative use to a residential subdivision (up to 230 houses)
4. Enhances recreational opportunities in County
5. A-1 Agricultural is most inclusive of districts



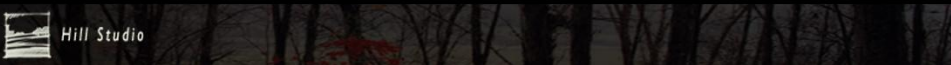
A-1 Agricultural Zoning District

Uses Permitted by Right	Uses by Special Permit
Agricultural Warehouses	Campground
Assembly Halls	Clubs
Churches	Feed / Processing Mill
Day Care Center	Flea Market
Feedlot, commercial poultry facility	Funeral Homes and Mortuaries
Forestal Operations	Livestock Market
Garage	Landfills
Greenhouse	Sawmills
Kennels, Veterinary Clinic	Motels, Hotels, Tourist and Resort Facilities
Lodges	Quarry
Primitive Campground	Recreational Facilities
Sales, Service, Repairs of Farm, Garden and Logging Equipment	Rifle Range, Gun Clubs, Shooting Range
Single Family House	Summer Camp
Subdivisions (35,000 square foot lots, 1.25/Acre)	
Colleges, Dormitories	



Neighbor Concerns:

- 1. Noise
- 2. Vegetation and development
- 3. Traffic
- 4. Safety



PHELPS FARM
Owner: Julie Phelps
5076 Edwardsville Road
Hardy, VA 24101
September 8, 2015

Tax Parcels
0110000302B 43.23 ac
01100003100 33.70 ac
01100003302 103.00 ac
01100003300 5.00 ac

HILL STUDIO

Motocross Bike Trails

Moved all outer trails
Segments 100' - 200'
from boundaries

Decibel Considerations

Virginia: 67

Franklin County: 67

HUD: 65



Noise

1. **Added Conditions** – moved trail locations to no closer than 100 feet to property lines and agreed to requiring proper operating mufflers.
2. **Professional Acoustic Study** – OHV Acoustics, Wisconsin 11-9-2015
 - a. Used widely accepted HUD standard (65 dBA Leq) for measuring effect of noise on residential areas
 - b. Findings – 51.4 dBA Leq was the reading with 10 riders; cars and trucks had higher readings (63-72 dBA)
 - c. Using logarithmic formula – determined up to 230 bikes could be in operation and not exceed the 65 dBA Leq

Development and Vegetation

1. Forested buffers will be retained
2. Approximately 7 miles of trails and track currently exist – no eroding soils at the present time
3. Development of the improved Training Track must meet County and State erosion and sediment control provisions
4. Development has been carefully placed to limit disturbance of natural areas

Traffic

- 1. Edwardsville Road has sufficient capacity to accommodate generated traffic -
 - 2011 Annual Daily Traffic was 640 vehicles;
 - Phelps traffic will be staggered and is expected to be less than 100 trips per day at full build out.
- 2. Intersection has sufficient sight distance for safety. Improvements planned + facility signage



VDOT Road Design Manual:

For a 2 lane major road with 55 mph speed limit:
Left and Right sight distance = 610 feet



Phelps Farm
Sight Distance from Entrance



Looking to the South
Phelps Farm
Sight Distance from Entrance

Looking to the North



Safety

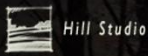
- 1. Training Facility will have posted safety rules and procedure manual
- 2. Trails are one-way and signed by mile markers
- 3. All facilities and operations must meet established public health standards
- 4. Rescue Squad and Fire Department are within 7-10 miles of facility and less than 15 minutes away



Facility Operations

Summer Camp	June – August Monday – Thursday
Motorcycle Training	June – August Friday – Sunday, 10 am to 5 pm Winter Spring and Fall – More active

Note: Facilities would NOT operate at the same time.



Economic Benefits to Franklin County

AT FULL BUILD-OUT:

Year round employees:	39
Temporary Camp employees	<u>71</u>
	110
Estimate Annual Revenue Generated:	\$ 1,512,000



Permit Conditions

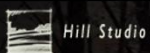
Recommended Conditions Agreeable

Number of Cabins : 10

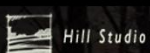
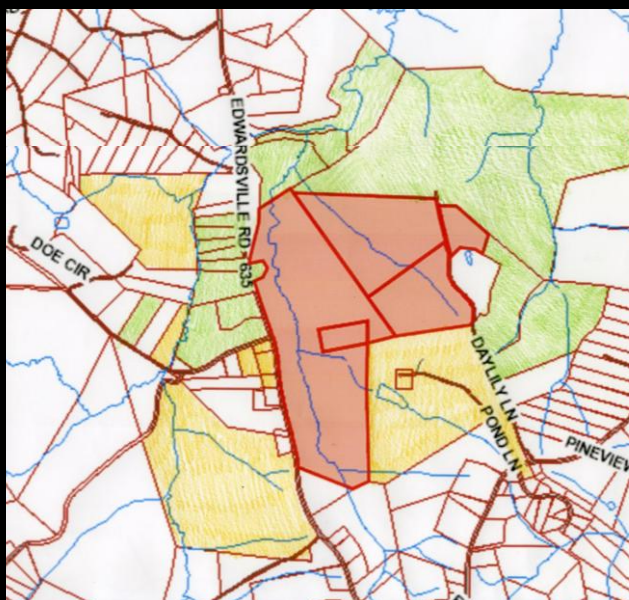
Number of Dirt Bikes:

- 55 Motocross Bikes* at any one Time
- No more than 4 Special Event permits a year
- Daylilly access only for emergency or private use

*Note: This is reduced from 230 discussed at Planning Commission, as supported by Professional Noise Study



Adjoining Neighbors **in Support** of Special Use Permit



Thank you

Permit for Special Use
"Recreational Use – Private"

5076 Edwardsville Road
Boone District

December 15, 2015

THE FOLLOWING PEOPLE SPOKE IN SUPPORT OF THE PROPOSED SPECIAL USE PERMIT:

Chris Czczuga

John Copeland
Nathan Thurman
Justin Hibbs
Angela Janney
David Janney
Savannah Janney
Lindsey Mathews
Melissa Boone (Read letter by Alex Bub)
Pat Lindsey
 (Read a letter from Bob Croftsman)
Melissa Boone (Read a letter from Alex Bubb)
Gracie Marshall
Tim Marshall
William Louthian
Tommy L. Medley, Sr.
Susan Walker
Scott Groves
Evan Perry
Kaithlyn Nichols
Dennis Galbraith
Westley Newbrough

THE FOLLOWING PEOPLE SPOKE IN OPPOSITION TO THE PROPOSED SPECIAL USE PERMIT:

Rose Sachs
Norman Young
Indian King England
Kathy Lane
Frank Crawnowski
Eric Ferguson, Esquire, representing Preston Stone and Dr. Lawless
Bill Burch
Dianna Morrow
Matt Harless
Brad Hughes
Linda Hughes
John Layne
Tim Miller*****
Julie Phelps gave closing comments
Public Hearing was closed.

(RESOLUTION #13-12-2015)

NOW THEREFORE BE IT ORDAINED, by the Board of Supervisors to deny the special use permit with the conditions as discussed for uses as provided in this chapter finding by the Franklin County Board of Supervisors that such use will be of substantial detriment to adjacent property, that the character of the projected future land use of the community will be adversely impacted, that such use will not be in harmony with the purpose and intent of the zoning ordinance and with the public health, safety and general welfare and in accord with the requirements of Section 25-638 of the Franklin County Code and Section 15.2-2283, Purpose of zoning ordinances of the Code of Virginia of 1950, as amended. Further the proposal does not encourage economic development activities and does not provide desirable employment and enlarge the tax base.

MOTION BY: Ronnie Thompson

SECONDED BY: Bob Camicia

VOTING ON THE MOTION WAS AS FOLLOWS:

AYES: Mitchell, Thompson, Wagner, Reynolds, Camicia, Thompson & Brubaker

Chairman Brubaker adjourned the meeting.